

WEARABLES DEVELOPMENT AGREEMENT

DEFINITIVE AGREEMENT

BY AND AMONG:

EBUYNOW ECOMMERCE LTD.

a British Columbia corporation;

- and -

GLOBICS TECHNOLOGY LIMITED

wholly-owned by

NATIONAL ELECTRONICS (CONSOLIDATED) LIMITED

Dated

December 23rd , 2019

DEFINITIVE AGREEMENT

THIS AGREEMENT made this 23rd day of December, 2019.

AMONG:

EBUYNOW ECOMMERCE LTD., a private company incorporated under the *Business Corporations Act* (British Columbia) having an office located at 301 – 1321 Blanshard Street, Victoria, British Columbia V8W 0B6. eBuyNow eCommerce Ltd. and its wholly-owned subsidiaries (as set forth below) shall collectively be known as (“**eBuyNow**”)

AND

GLOBICS TECHNOLOGY LIMITED, (hereinafter shall be known as “**Globics**”) a private company incorporated under the laws of Hong Kong having an office located at Suite 3201, Gloucester Tower, The Landmark, 11 Pedder Street, Central, Hong Kong which is indirectly wholly-owned by **National Electronics (Consolidated) Limited**, a private company incorporated under the laws of Hong Kong (hereinafter shall be known as “**National Electronics**”)

This Agreement represents an umbrella agreement between Globics, eBuyNow and its following wholly-owned subsidiaries (the “**Subsidiaries**” and each a “**Subsidiary**”):

eBuyNow eCommerce Limited with registered address at Unit 1901, 19TH Floor, Tower 2, Enterprise Square, No. 9 Sheung Yuet Road, Kowloon Bay, Hong Kong

eBuyNow eCommerce Limited with registered address at Suite I, Windrush Court, Abingdon Business Park, Abingdon, Oxfordshire OX14 1SY, United Kingdom

eBuyNow LLC with registered address at 470 Olde Worthington Road, suite 200, Westerville, OH, 43082, USA

eBuyNow eCommerce Private Limited with registered address at New Delhi Wave, M 4 (ground & first level), South Extension II, New Delhi, Delhi 110049, India

eBuyNow eCommerce S. DE R.L. DE C.V. with registered address at Av. Acanceh, Sm. 11, Mza. 2, Lote 3, Piso 3-B,, Oficina OV307AA83, Cancún, Q. Roo, México

and

eBuyNow eCommerce BV with registered address at Siriusdreef 17-27, Transpolispark, 2132 WT Hoofddorp, Netherlands

WHEREAS:

- A. eBuyNow and Globics entered into a non-binding letter of intent regarding proposed wearable development and sales agreement dated November 28th, 2019 (the “**Letter Agreement**”); and
- B. The Letter Agreement contemplates that the parties will enter into a definitive agreement for proposed wearables development and sales agreement between the parties hereto. The purpose of this Agreement is to set out the terms and conditions of the relationship between eBuyNow and Globics (each a “**Party**”, and together the “**Parties**”) with regards to smartwatch and wearables engineering, design and manufacturing.

NOW THEREFORE for good and valuable consideration the receipt and sufficiency of which is hereby acknowledged by each of the Parties hereto, the Parties hereto agree as follows:

Article 1

INTERPRETATION

1.1 **Definitions** In this Agreement and the recitals hereto, the following words and phrases have the following respective meanings:

- (a) “**Agreement**” means this agreement and all amendments made hereto by written agreement amongst the Parties;
- (b) “**Applicable Laws**” means all laws, statutes, rules, regulations, official directives and orders of Government Authorities (whether administrative, regulatory, legislative, executive or otherwise) including applicable Securities Laws and judgments, orders and decrees of courts, commissions or bodies exercising similar functions, as amended, and includes the provisions and conditions of any permit, license or other governmental or regulatory authorization;
- (c) “**Effective Date**” means the date of this Agreement;
- (d) “**Encumbrance**” means any interest or equity of any person (including any right to acquire, option or right of pre-emption), voting arrangement, mortgage, charge, claim, liabilities, obligation, pledge, bill of sale, lien, deposit, hypothecation, assignment, agreement or any other encumbrance, priority or security interest or arrangement or interest under any contract or trust or any other third party interest of whatsoever nature over or in the relevant subject matter and “**Encumber**” shall be construed accordingly;
- (e) “**Government Authority**” means any government, regulatory or administrative authority, government department, agency, commission, board or tribunal or court having jurisdiction on behalf of any nation, province or state or subdivision thereof or any municipality, district or subdivision thereof including, but not limited to, the Hong

Kong Companies Registry, the Securities & Futures Commission of Hong Kong and The Stock Exchange of Hong Kong Limited;

- (f) "Indemnified Party" shall have the meaning ascribed thereto in Section 6.1;
- (g) "Indemnifying Party" shall have the meaning ascribed thereto in Section 6.1;
- (h) "Letter Agreement" has the meaning of the Letter of Intent signed November 28th 2019;
- (i) "ODM" means Original Design Manufacturing
- (j) "Party" means each party in the relationship between eBuyNow and Globics;
- (k) "Parties" means the relationship between eBuyNow and Globics;
- (l) "Products" mean the smartwatch, wearable products and wear OS related products;
- (m) "Product Requirement Document" or "PRD" means a shared document between the Parties outlining the product specifications including design, materials, performance, applications, features, colours, target purchase price, manufacturer's suggested retail price and any other information required for the complete understanding of product requirements for development and manufacture of the product as understood by the Parties;
- (n) "Securities Laws" means all applicable Canadian provincial and territorial corporate and securities laws and any other applicable corporate or securities laws including applicable securities laws of Hong Kong;
- (o) "Subscription" has the meaning ascribed to it in Article 3;
- (p) "Third Party" means any person other than Globics and eBuyNow and their respective holding companies, subsidiaries and affiliates;
- (q) "Wearable Licenses" means Motorola and Kodak brand licenses as well as any future wearable licenses obtained by eBuyNow

- 1.2 **Headings** The division of this Agreement into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The terms “this Agreement”, “hereof”, “hereunder” and similar expressions refer to this Agreement and not to any particular Article, Section or other portion hereof and include any agreement supplemental hereto. Unless something in the subject matter or context is inconsistent therewith, references herein to Articles and Sections are to Articles and Sections of this Agreement.
- 1.3 **Extended Meanings** In this Agreement, unless the context requires otherwise, words importing the singular number only shall include the plural and vice versa, words importing the masculine gender shall include the feminine and neuter genders and vice versa, and words importing persons shall include individuals, partnerships, associations, trusts, unincorporated organizations and corporations.
- 1.4 **Accounting Principles** Wherever in this Agreement reference is made to international financial reporting standards, such reference shall be deemed, unless otherwise indicated, to be the international financial reporting standards (IFRS) from time to time approved by the Canadian Institute of Chartered Accountants, or any successor thereto, applicable as at the date on which such calculation is made or required to be made in accordance with international financial reporting standards.
- 1.5 **Currency** Unless otherwise indicated, all references to currency herein are to lawful money of Canada.

Article 2

TERMS OF WEARABLES DEVELOPMENT AGREEMENT

2.1 Responsibilities of eBuyNow

eBuyNow, in addition to any other obligations and responsibilities as set forth in this Agreement, shall be responsible for the followings:

- (a) **Brand Licenses.** The Wearable Licenses, including Motorola and Kodak brand licenses and any other brand licenses used for the branding of products sold by eBuyNow will remain the sole concern of eBuyNow.
- (b) **Licensor management and approvals.** eBuyNow shall be solely responsible for all matters in connection with the Wearable Licenses, including but not limited to (i) obtaining the relevant consents and/or approvals from the licensor, (ii) applying for,

renewing and/or extending the Wearable Licenses, and (iii) all costs and expenses in relation to such Wearable Licenses.

- (c) **Global distribution of the Products.** eBuyNow shall be responsible for the sales and distribution of the Products worldwide.
- (d) **Customers support and returns management authorization (RMA).** eBuyNow shall serve as the first point of contact for the provision of customers' support and services as well as returns management of the Products.
- (e) **Marketing and awareness.** eBuyNow shall be responsible for launching all marketing and advertising activities for the promotion of the Products. All costs and expenses in relation thereof shall be borne by eBuyNow.
- (f) **Google Wear OS management and approvals.** eBuyNow shall be solely responsible for all matters in connection with the Google Wear OS management and the required licenses, including but not limited to (i) obtaining the relevant consents and/or approvals from the licensor, (ii) applying for, renewing and/or extending the relevant licenses, and (iii) all costs and expenses in relation to the aforesaid.
- (g) **Market Requirement Definition (MRD) and Product Requirement Definition (PRD).** eBuyNow shall be responsible for the MRD (including but not limited to conducting market research) and the PRD (including but not limited to sharing and suggesting the required product specification) of the Products.
- (h) **Packaging and Accessories Definition.** eBuyNow shall be responsible for providing, among others, the requirement and specification of the packaging and accessories of the Products, including but not limited to the straps of the smartwatch, the charger as well as the packaging material of the Products.

2.2 Responsibilities of Globics

- (a) **Product Development Schedule.** Globics will build and maintain a team responsible for the operational order acceptance and management, product development schedule (PDS) development to final product, continued support of products in field, sourcing, negotiation.
- (b) **Purchasing.** With regards to current products in the eBuyNow roadmap, Globics will be responsible to undertake all bill of materials ("BOM") negotiation, purchasing and credit terms on an exclusive basis. Pricing will be agreed jointly with the suppliers, Globics & eBuyNow. For the existing product range, any reduction in BOM prices from suppliers from original agreement of supply, Globics will share 50% of the cost reduction.
- (c) **Credit Terms.** Globics will offer back to back credit terms to eBuyNow as those achieved from the supplier of Products at no cost to eBuyNow. In circumstances where eBuyNow requires increased lengths of terms than those provided by the supplier, then

Globics will offer eBuyNow credit terms at an interest of 0.375% per week. Globics have final authority on approving credit terms on a customer by customer basis and approval shall be given at the time of receipt of initial purchase order from the customer but before manufacturing begins.

- (d) **Approvals for Import and Sale.** Globics will, to the extent reasonable, cooperate with and assist eBuyNow in obtaining, securing and maintaining in effect any and all permits, licenses and approvals required to import, distribute and sell the Products to the territory eBuynow is located at. However, eBuyNow shall be solely responsible for paying all fees, costs and charges in connection therewith.

2.3 Responsibilities of Both Parties

- (a) **BOM.** For the Products that Globics procures from Compal (as defined below), BOM negotiation and agreement with Compal will be considered an open BOM between the Parties and approved by writing jointly between the Parties. However, for procurement from any other Third Party suppliers for the development of Globics' in-house products, Globics may opt not to work in an open BOM manner.
- (b) **Adequate Personnel and Resources.** Both Parties agree to provide sufficient resources and personnel to provide the services outlined in this Agreement in a professional and workmanlike manner.
- (c) **Compliance with Law.** Each Party shall comply with all laws applicable to it in connection with the activities contemplated and obligations imposed by this Agreement.
- (d) **Development of New Products Under Wearables Category.** The Parties will collaborate on the development of new Wearable Product Line (as defined below).

2.4 Wearables Product Line (Wearables) is considered any product worn on the body that is not WearOS powered and uses a Real Time Operating System (RTOS) or Android. eBuyNow will work with Globics to identify, through shared PRD, a range of wearables for the Wearable Licenses. eBuyNow will share the roadmap of the wearables under these brands.

2.5 **Wear OS Licensed Products.** The Wear OS license licensed by Google Inc. and/or its affiliates (collectively, “Google”) is currently given to Motorola wearable Products only.

[REDACTED]
[REDACTED] The Parties acknowledge that eBuyNow could discharge the aforesaid duty on its best effort basis, and there is no guarantee that Google would approve such extension.

Redacted due to confidentiality

2.6 **Supply Management Fee.** Globics will apply a 2.5% management fee on ex-works price for any Product sold to eBuyNow that is purchased from Globics and supplied by a Third Party supplier.

2.7 **Joint Development (“JD”) Fee**

(a) **Wearable JD Fee.** For any wearable Products that (i) the supplier was introduced by eBuyNow and (ii) such wearable Products were jointly engineered by eBuyNow and Globics, a license fee of 2% against the joint published ex-works factory product cost will be payable to eBuyNow by Globics after the sale of such wearable Products to Third Party customers.

(b) [REDACTED] Globics to Third Party(ies), a license fee of 5% against the joint published ex-works factory product cost will be payable to eBuyNow by Globics.

Redacted due to confidentiality

(c) **JD Fee Exclusions.** For any wearable Products where there has been no contribution by eBuyNow to the concept, design or development and is fully managed by Globics or their affiliated companies and sold by Globics or their affiliated companies to any of their 3rd party customers, there are no joint development fees payable to eBuyNow by Globics.

2.8 **First Right of Refusal** Globics shall have the first right of refusal on:

- (a) Any product Globics would like to manufacture that is identical in features and within 110% of the costs of alternative suppliers;
- (b) Proposing the PRD;
- (c) Product roadmap; and

- (d) Quotation to eBuyNow for roadmap and existing products.

This may take a considerable amount of time for development. In the interim period eBuyNow and Globics will use their joint efforts to source suitable suppliers for the range.

- 2.9 **Sourcing Agent** eBuyNow hereby nominates Globics as their exclusive sourcing agent to manage all development and production of the full existing and future Products to eBuyNow under the Wearable Licenses managed by eBuyNow. Sourcing requirements include screens, straps, casing, modules, heart rate sensors, glass, packaging and any other components required for the manufacture of such Product ranges.

Redacted due to confidentiality

2.10 **Purchasing and Financing**

- (a) eBuyNow will supply Globics with back to back purchase orders prior to Globics' inventory purchase of the Products.
- (b) eBuynow will seek invoice financing for eBuyNow customers purchasing through either letter of credit or extended credit terms from their bankers which will supplant and financing needs from Globics. The objective is for Globics to be solely responsible for procurement financing and offer back to back financing to eBuyNow of the same.
- (c) If there is any default on any invoice financing to Globics, Globics reserves the right to:
 - (i) Claim all accounts receivable of eBuyNow (relating to the Products only) once any or all of such accounts receivable has been received, collected or otherwise by eBuyNow from its customers, distributors, retailers or via online direct sales
 - (ii) Arrange a lien on wearable and wear OS Product stock either in production or warehouse directly managed or controlled by eBuyNow
 - (iii) [REDACTED]
- (d) If Globics extends any credit post shipment to eBuyNow and their customers for wearables or wear OS Products sold, credit will be made on the Globics invoice price to eBuyNow plus 0.375% per week of credit required. Credit is calculated from the date of shipment free-on-board (Incoterms 2010) until the date the monies are transferred from eBuyNow bank to Globics bank.

Redacted due to confidentiality

2.11 **Brand Licenses ("Trademarks")**

- (a) The Motorola, Kodak and all Trademarks licensed by eBuyNow will remain the sole concern of eBuyNow.
- (b) eBuyNow will grant Globics and its subcontractors the exclusive manufacturing rights (the “**Rights**”) for all wearables and wear OS Products under the Wearable Licenses.
- (c) Globics agrees that Globics use of the Trademarks shall not create any ownership right in Globics to the Trademarks, and all uses of the Trademarks by Globics and all goodwill associated with the Trademarks will inure to the benefit of the brand owner or its licensors. Each Party agrees that it will do nothing inconsistent with the ownership of the Trademarks by the brand or its licensors. Each Party will not attack or challenge in any manner or in any country:
 - (i) the validity of the Trademarks;
 - (ii) Trademarks or its licensors’ ownership of the Trademarks;
 - (iii) Trademarks or their licensors’ right to use; or
 - (iv) applications or registrations for the Trademarks.
- (d) Globics will not use or attempt to register the Trademarks, or any mark or name substantially similar to the Trademarks, as a trademark, service mark, trade name, domain name, or social media site name in any jurisdiction, and will not incorporate the Trademarks, or any mark or name confusingly similar to the Trademarks, into its trade, business, domain names, or social media site names in any jurisdiction

2.12 Original Design Manufacturing (the “ODM”) Agreement (the “ODM Agreement”) between Globics and Compal Electronics Inc. (“Compal”)

- (a) eBuyNow acknowledges that for the purposes of implementing this Agreement, Globics will enter into a ODM Agreement with Compal to source the Products manufactured by Compal.
- (b) Notwithstanding that eBuyNow is not a party to the ODM Agreement, eBuyNow hereby undertakes and agrees that (a) it will nevertheless be bound by the terms of the ODM Agreement and/or any supplemental agreement(s) between Globics and Compal on the ODM Agreement as if eBuyNow is a contracting party to such agreement(s), and (b) it will indemnify Globics for any losses, costs and/or damages suffered by Globics arising from or in connection with any breach of eBuyNow on any provisions to the ODM Agreement which will constitute a breach of the ODM Agreement by Globics and in particular, but without limitation, the following articles in the ODM Agreement:

- (i) Article 2.0 – General Co-operation
 - (ii) Article 3.0 – Purchase and Supply
 - (iii) Article 4.0 – Rights to Resell
 - (iv) Article 5.0 – Quality Assurance
 - (v) Article 6.0 – Quality
 - (vi) Article 8.0 – Packaging and Packing
 - (vii) Article 16.0 – Term and Termination
- (c) Notwithstanding that eBuyNow is not a party to the ODM Agreement, with the consent by Compal (if so required), Globics agrees that (a) at all times and at any time requested Globics will share the latest copy of the BOM from Compal, and (b) Globics will at all times share information on factory defects or known issues that could be materially detrimental to the quality, sales, prices or business of eBuyNow with regards to the Products sales (c) continuously seek to improve on the purchase prices of materials and manufacturing costs from their suppliers, passing partial of the costs savings onto eBuyNow as laid out in this Agreement.

2.13 **Future Development Fees and Tooling.** Development fees and tooling of future wearable and wear OS Products will first be borne by Globics. eBuyNow will be responsible for amortizing any and all development and tooling fees within the initial 12 months of shipment of products. If the tooling and development fees, that are pre-agreed between the Parties are not settled within 12 months, eBuyNow has 30 days from the end of the term to settle the balance of the outstanding.

2.14 **Bill of Materials (“BOM”)** Subject to Articles 2.2(c) and 2.3(a) above, for any reduction in BOM prices from suppliers from original agreement of supply, Globics will share 50% of the cost reduction with eBuyNow. Globics will supply to eBuyNow the BOM and manufacturing agreement that is current between the supplier and Globics at the request from eBuyNow within 5 working days of a formal written request being made.

2.15 **Purchase Orders and Trading terms**

- (a) eBuyNow shall submit purchase orders in writing by email on each occasion it wishes to purchase the Products from Globics. Each purchase order will identify the Products by part number, quantity and a free on board Hong Kong price. Purchase orders will also provide customer details, the ship-to location and delivery date.

- (b) Upon receipt of a purchase order, Globics shall within 7 working days, acknowledge receipt and communicate an accurate delivery date for each Product to eBuyNow.
- (c) Receipt of purchase order includes Gold Standard Sheets (“GSS”) provided from eBuynow that clearly layout item requirements listed below, the GSS must be signed by the eBuyNow for manufacturing to commence. The list below is not meant to be exhaustive and could be expanded (upon agreed between the Parties) on case-by-case basis:
 - (i) SKU number displayed on packaging
 - (ii) Barcode EAN & UPC
 - (iii) Languages
 - (iv) Plug/adaptor type, links to current certifications, rating label
 - (v) Packaging, quick start guide and Instruction manual copies
 - (vi) Product colour
 - (vii) Defining features
 - (viii) Updates to software, hardware or firmware from initial production
 - (ix) Special notes, requests from eBuyNow

2.16 Shipment and Delivery

- (a) All shipments of Products shall be delivered ex-works factory
- (b) Before shipment of Products, eBuyNow shall carefully inspect and test them for compliance with the purchase order. A Quality Assurance Test Report will be sent to the Globics along with the invoice and signed GSS showing the Products are to the specifications and quality standards agreed between the Parties. If as a result of any subsequent inspection or test eBuyNow is of the reasonable opinion that the Products do not comply with the purchase order, it shall inform Globics accordingly in writing and Globics shall take such steps as necessary to ensure such compliance.

- (c) Independent Quality Inspection; eBuyNow has the right to organise its inspectors to conduct a quality inspection of each order prior to shipment release from Globics factory to determine Acceptable Quality Levels (AQL) and conformance with the signed GSS. The independent inspection will be measured against ANSI/ASQC Z1.4 – 1993 or an agreed specification between the Parties.
 - (d) AQL level II single sampling plans for normal inspection. Critical 0%, Major 0.65%, Minor 1.5%; The independent inspection report is to be emailed to eBuyNow prior to shipment release.
 - (e) Globics will reimburse eBuyNow for the cost of second or subsequent inspections.
 - (f) eBuyNow has the right to reject any Product that does not comply with GSS, signed by both Globics and eBuyNow before manufacturing begins.
 - (g) Delays to ship dates – If Globics indicates a product QA date that is later than agreed ship date on the order acceptance between manufacturer and eBuyNow by 15 business days (given there is sufficient lead time for the order placement) then eBuyNow will have the option to air freight a quantity of the order at Globics cost.
 - (h) If there is an urgent need for partial shipment, Globics should facilitate partial shipment.
- 2.17 **Property and Risk.** Risk in the Products shall pass to eBuyNow at the time and place of delivery designated and agreed between the Parties hereto. Acceptance of the Products by eBuyNow shall not constitute a waiver of any of the rights of eBuyNow under this Agreement. Title will pass to eBuyNow at the point in which Bill of Lading (BOL) is received by eBuyNow.
- 2.18 **Warranties and Liability.** The Parties shall negotiate in good faith on the warranties to be given by the manufacturer of each Product.
- 2.19 **Termination of Rights.** The initial term of this Agreement shall commence on the Effective Date and extend for four (4) years thereafter, unless earlier terminated pursuant to the terms hereof (“**Initial Term**”). This Agreement will renew automatically for an additional one (1) year increments (each a “**Renewal Term**”, and together with the Initial Term, the “**Term**”) subject to eBuyNow being able to renew the licenses from Motorola and Kodak unless either Party gives the other Party written notice of non-renewal at least ninety (90) days prior to the end of the Initial Term or any Renewal Term, as applicable, or is terminated by one or more of the other reasons provided in this Agreement.
- 2.20 **Termination for Breach.** This Agreement may be terminated by either Party for cause immediately by written notice upon the occurrence of any of the following events:
- (a) if eBuyNow or Globics ceases to do business; or

- (b) if the other Party breaches any material provision of this Agreement and fails to cure such breach within ninety (90) days after receipt of written notice describing the breach issued by the non-breaching Party; or
- (c) the other Party (“Affected Party”) is subject to an Insolvency Event. For purposes of this Agreement, an “Insolvency Event” occurs when:-
 - (i) the Affected Party becomes unable to pay its debts (within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap 32)), admits its inability to pay its debts or becomes insolvent, or
 - (ii) a petition is presented, an order made or a resolution passed for the liquidation (otherwise than for the purposes of a solvent amalgamation or reconstruction), administration, bankruptcy or dissolution of the Affected Party, or
 - (iii) an administrative or other receiver, manager, trustee, liquidator, administrator or similar officer is appointed to the Affected Party and/or over all or any part of the assets of the Affected Party, or
 - (iv) the Affected Party enters into or proposes any composition or arrangement with its creditors (or any class of its creditors) generally, or
 - (v) anything equivalent to any of the events or circumstances stated in (i) to (iv) inclusive occurs in any applicable jurisdiction.

2.21 Termination for Cause

- (a) A written notice will be served to Globics for each failure to adhere to the GSS standard against delivery. If there are culmination of 8 GSS faults within a 2 year period, this will constitute the rights of eBuyNow to terminate this Agreement with immediate effect. GSS adherence failures are considered any issues around the correct supply of Products against outlined requirements, included materials, quality and delivery dates. If Globics correct any failure within 30 days of notification to a complete and acceptable solution to eBuyNow, then this will not be included in the adherence failure count. For the purpose of this Article 2.21, GSS adherence failure means any or all of the followings:
 - (i) Failure to advice delivery date within 7 working days of initial purchase order receipt

- (ii) SKU number displayed on packaging is wrong or missing
- (iii) Barcode EAN & UPC is wrong or missing
- (iv) Languages provided have been incorrectly displayed or are missing
- (v) Plug/adaptor type, links to current certifications, rating label are wrong or missing
- (vi) Packaging, quick start guide and instruction manual copies are wrong or missing
- (vii) Product colour is not as defined
- (viii) Defining features not being adhered to
- (ix) Latest updates provided to software, hardware or firmware from initial production not being updated on product delivered
- (x) Special notes, requests from eBuyNow not adhered to
- (xi) Actual delivery date is more than 15 working days from original agreement delivery date

eBuyNow shall inform Globics of such GSS adherence failure within 90 days after the Product(s) is shipped out from Compal's factory in order to count any of such GSS adherence failure towards the aforesaid culmination.

- (b) Globics shall supply the Products based on the specifications, quality and costs (if applicable) (the "**Requirements**") as set out in the purchase orders provided by eBuyNow. In the event that the Products fail to meet the Requirements in a material extent, eBuyNow shall serve a written notice to Globics describing in detail the Requirements that Globics failed to fulfill. If Globics fails to rectify the Products within ninety (90) days after receiving the written notice from eBuyNow, either Party shall have the right to terminate this Agreement by serving a 180-days notice to the other Party to communicate its intention to terminate this Agreement.

2.22 **Maximum liability.** Without prejudice to each Party's other rights in this Agreement, the maximum liability of Globics (as a result of Globics' default or breach of this Agreement) shall be capped by the total amount under all the purchase order(s) submitted by eBuyNow and

accepted by Globics as at the date of giving rise to eBuyNow its right to make a claim under this Agreement.

Article 3

EQUITY INVESTMENT

- 3.1 **Terms of Share Purchase of eBuyNow by National Electronics.** An affiliate of National Electronics will subscribe for common shares and warrant of eBuyNow, which consists of 4,350,000 common shares of eBuyNow (each a “**Common Share**”) and one warrant of eBuyNow (the “**Warrant**”), for a consideration of CAD\$3,262,500 (approximately US\$2,500,000)(the “**Subscription**”). Each Common Share will be priced at CAD\$0.75. The Warrant will allow Globics the right to purchase up to 4,350,000 Common Shares for a period of 24 months at a price of CAD\$0.75/share. The Parties undertake and agree to enter into an investment agreement in this respect.

Article 4

REPRESENTATIONS AND WARRANTIES

- 4.1 **Representations and Warranties of Globics.** Globics represent and warrant to and in favour of eBuyNow that (and acknowledge that eBuyNow is relying upon such representations and warranties in connection with the matters contemplated by this Agreement):

Organization. Globics was incorporated and organized, and is in good standing, under the laws of Hong Kong and is a subsidiary of National Electronics and was organized to effect this Agreement.

Capacity and Qualification. Each of National Electronics and Globics has the capacity, and is qualified, to own its assets, carry on its business, and conduct its affairs in each jurisdiction in which the failure to possess such capacity, or so qualify, would reasonably be expected to result in failure to deliver the terms set out in this Agreement.

Authority. Globics has the authority to execute, deliver, and perform its obligations under this Agreement and, except as contemplated by this Agreement, Globics has taken all of the corporate actions that are necessary to allow it to execute, deliver, and perform its obligations under this Agreement.

Globics acknowledge and agree that any investigation by eBuyNow and its advisors shall not mitigate, diminish or affect the representation and warranties of Globics provided pursuant to this Agreement.

4.2 Representations and Warranties of eBuyNow. eBuyNow represent and warrant to and in favour of Globics that (and acknowledge that Globics is relying upon such representations and warranties in connection with the matters contemplated by this Agreement):

Organization. Each of eBuyNow and the eBuyNow Subsidiaries was incorporated and organized, and is in good standing, under the Law of its jurisdiction of incorporation and organization.

Capacity and Qualification. Each of eBuyNow and the eBuyNow Subsidiaries has the capacity, and is qualified, to own its assets and conduct its business in each jurisdiction as currently owned and conducted.

Corporate Authorization. Each of eBuyNow and the eBuyNow Subsidiaries has the authority to execute, deliver, and perform its obligations under this Agreement and, except as contemplated by this Agreement, each of eBuyNow and the eBuyNow Subsidiaries has taken all of the corporate actions that are necessary to allow it to execute, deliver, and perform its obligations under this Agreement.

Enforceability. When eBuyNow executes and delivers this Agreement, it will be binding on and enforceable against eBuyNow and the eBuyNow Subsidiaries in accordance with its terms, except as limited by Applicable Laws of general application relating to or affecting the enforcement of the rights of creditors generally or Applicable Laws relating to the availability of equitable remedies.

Government Filings. Except as contemplated by this agreement, the execution, delivery, and performance by eBuyNow of its obligations under this Agreement do not require it to give notice to, request or obtain the approval or consent of, or file any document or instrument with, any Government Authority.

Non-Contravention. The execution, delivery, and performance by eBuyNow and the eBuyNow Subsidiaries of its obligations under this Agreement do not and will not (or would not after notice, or lapse of time, or both) breach, conflict with, contravene, or constitute a default under, as the case may be, (i) its articles; (ii) any agreement, arrangement, or commitment to which it

is a party; or (iii) any Applicable Laws, orders, or any requirement of the TSX Venture Exchange (if applicable).

eBuyNow Subsidiaries. The information in the data room provided by eBuyNow since December 16th 2019 (the “**Data Room**”) accurately states, for each eBuyNow Subsidiary: (A) the full legal name of the eBuyNow Subsidiary; (B) the jurisdiction of incorporation, continuation, formation, or organization of the eBuyNow Subsidiary; (C) the registered office address of the eBuyNow Subsidiary; and (D) the percentage of votes attaching to all voting securities of the eBuyNow Subsidiary beneficially owned, or controlled or directed, directly or indirectly, by eBuyNow.

The eBuyNow Subsidiaries are the only Subsidiaries of eBuyNow. eBuyNow owns all of the outstanding securities of the eBuyNow Subsidiaries. eBuyNow is not a participant in any joint venture, partnership, or similar arrangement.

Securities Law. Each of eBuyNow and the eBuyNow Subsidiaries complies and has complied with Securities Law and no legal proceeding is pending or threatened against eBuyNow or any eBuyNow Subsidiary for any failure to comply with Securities Law and/or Applicable Laws. No court or Government Authority has ever imposed any penalty or sanction against eBuyNow or any eBuyNow Subsidiary relating to Securities Law and/or Applicable Laws.

Neither eBuyNow nor any eBuyNow Subsidiary has entered into any settlement agreement before a court relating to Securities Law or with a Government Authority.

Neither eBuyNow nor any eBuyNow Subsidiary is a reporting issuer and/or listed company in any province or territory of Canada or the equivalent in any foreign jurisdiction.

The eBuyNow Shares are not listed on any stock exchange or quoted on any quotation and trade reporting system.

Financial Statements. eBuyNow has included accurate copies of the eBuyNow draft financial statements in the Data Room. Draft financial statements will be replaced with final audited financial statements within 2 business days of receipt from eBuyNow’s auditors.. Such financial statements (a) have been prepared in accordance with the Applicable Laws and applicable statements of standard accounting practice and with good and generally accepted accounting principles and practice in Canada; (b) are complete and accurate in all material respects; and (c) show a true and fair view of the state of affairs of eBuyNow and of the results

and profits and losses for the financial year or period reported on such financial statements, as the case may be.

eBuyNow Material Contracts. The Data Room contains an accurate list of all the eBuyNow's material contracts, being contracts entered into by eBuyNow which are of significance to the operation of its business (the "**eBuyNow Material Contracts**"). eBuyNow has placed accurate copies of all the eBuyNow Material Contracts in the Data Room, and no eBuyNow Material Contract has, since its placement in the Data Room, been amended, restated, or terminated.

Each eBuyNow Material Contract is binding on and enforceable against eBuyNow or any eBuyNow Subsidiary, as applicable, in accordance with its terms, except as limited by Applicable Laws of general application relating to or affecting the enforcement of the rights of creditors generally or Applicable Laws relating to the availability of equitable remedies.

Neither eBuyNow nor any eBuyNow Subsidiary is in breach of or in default under any eBuyNow Material Contract, and to the best of the knowledge of eBuyNow upon reasonable enquiries, there exists no condition that, with the passage of time or the giving of notice, or both, would result in such a breach or default.

To the best of the knowledge of eBuyNow upon reasonable enquiries, No other person or company is in breach of or in default under, and neither eBuyNow nor any eBuyNow Subsidiary has received notice of the termination or non-renewal of, any eBuyNow Material Contract.

Real Property. Neither eBuyNow nor any eBuyNow Subsidiary owns any real property.

The Data Room accurately lists all the real properties that eBuyNow and the eBuyNow Subsidiaries lease or sublease.

Each lease or sublease for real property to which eBuyNow or an eBuyNow Subsidiary is a party is in full force and effect and creates a good and valid leasehold estate in the real property thereby demised.

Neither eBuyNow nor any of the eBuyNow Subsidiaries is in breach of, or default under, any lease or sublease of real property, and no event has occurred which, with notice, lapse of time, or both, would constitute such a breach or default by eBuyNow or any of the eBuyNow Subsidiaries or permit the acceleration, amendment, or termination, of the lease or sublease.

To the best of the knowledge of eBuyNow upon reasonable enquiries, no third party has repudiated or has the right to repudiate or terminate any lease or sublease of real property to which eBuyNow or any of the eBuyNow Subsidiaries is a party (except for the normal exercise of remedies in connection with a default under or any termination rights in the lease or sublease).

Personal Property. The eBuyNow interim financial statements accurately reflect the personal property that eBuyNow and the eBuyNow Subsidiaries legally and beneficially owned on June 30, 2019, and since June 30, 2019, neither eBuyNow nor the eBuyNow Subsidiaries has acquired or disposed of any personal property, except in the ordinary course of its business.

eBuyNow and the eBuyNow Subsidiaries have good and marketable title to the personal property that they legally and beneficially own, and such personal property is free and clear from Encumbrances, except Encumbrances that arose in the ordinary course of its business and do not materially impair its ownership or use of such personal property.

Intellectual Properties (“IP”). eBuyNow and the eBuyNow Subsidiaries own or possess, have licences to, or otherwise have the right to use, all IP that is necessary for the conduct of their businesses.

All IP that eBuyNow and the eBuyNow Subsidiaries own or possess, or have licenses to, or otherwise have the right to use, is enforceable in accordance with the terms of that IP, subject only to Applicable Laws of general application relating to or affecting the enforcement of the rights of creditors generally or Applicable Laws relating to the availability of equitable remedies.

Neither eBuyNow nor any of the eBuyNow Subsidiaries is in breach of or in default under the terms of any IP that it owns or possesses, has a licence to, or otherwise has the right to use, and to the best of the knowledge of eBuyNow upon reasonable enquiries, there exists no condition that, with the passage of time or the giving of notice, or both, would result in such a breach or default.

To the best of the knowledge of eBuyNow upon reasonable enquires, no other person or company is in breach of or in default under, and neither eBuyNow nor any eBuyNow Subsidiary has received notice of the termination or non-renewal of, the terms of any IP that it owns or possesses, has a licence to, or otherwise has the right to use.

Neither eBuyNow nor any eBuyNow Subsidiary is a party to any legal proceeding relating to the IP that it owns or possesses, has a licence to, or otherwise has the right to use, and to the

best of the knowledge of eBuyNow upon reasonable enquires, no such legal proceeding is pending or threatened.

Inventory. All inventory of eBuyNow and/or eBuyNow Subsidiaries, whether or not reflected in their statements of financial position, consists of a quality and quantity usable and salable in the ordinary course of business, except for obsolete, damaged, or defective items that have been written off or written down to fair market value or for which adequate reserves have been established. eBuyNow owns all inventory free and clear of all Encumbrances, and no inventory is held on a consignment basis. The quantities of each item of inventory are reasonable in the present circumstances of eBuyNow.

Accounts Receivable. The accounts receivable of eBuyNow and/or eBuyNow Subsidiaries reflected on their statements of financial position and the accounts receivable arising after the date of the statements of financial position:

- I. have arisen from bona fide transactions that eBuyNow or an eBuyNow Subsidiary entered into involving the sale of goods or the rendering of services in the ordinary course of business;
- II. constitute only valid, undisputed claims of eBuyNow or the eBuyNow Subsidiaries that are not subject to claims of set-off or other defences or counter-claims other than normal cash discounts accrued in the ordinary course of business; and
- III. subject to a reserve for bad debts shown on the statements of financial position or, with respect to accounts receivable arising after the date of the statements of financial position, on the accounting records of eBuyNow, are collectible in full within 90 days after billing. The reserve for bad debts shown on the statements of financial position or, with respect to accounts receivable arising after the date of the statements of financial position, on the accounting records of eBuyNow, have been determined in accordance with GAAP, subject to normal year-end adjustments and the absence of disclosures normally made in notes to financial statements.

Proceedings. Neither eBuyNow nor any eBuyNow Subsidiary is a party to, or the legal or beneficial owner of any property that is the subject of, any legal proceeding that, individually

or in the aggregate with any other legal proceeding or proceedings, would reasonably be expected to result in an adverse material change to eBuyNow, and to the best of the knowledge of eBuyNow upon reasonable enquiries, no such legal proceeding is pending or threatened.

eBuyNow and each eBuyNow Subsidiary complies with the terms of all employment agreements to which it is a party or by which it is bound and all Applicable Laws relating to employment, health and safety, and human rights.

No agreement, arrangement, or commitment to which eBuyNow or any eBuyNow Subsidiary is a party or by which it is bound provides for any payment to an Employee in connection with (A) the resignation, retirement, termination, or change in responsibilities of the Employee, or (B) a change in control of eBuyNow or the eBuyNow Subsidiary.

eBuyNow and each eBuyNow Subsidiary has either paid or accurately reflected in its books and records of eBuyNow all amounts due or accrued due for all benefits under Employee plans.

Neither eBuyNow nor any eBuyNow Subsidiary is a party to a legal proceeding relating to employment, health and safety, and human rights and, to the best of the knowledge of eBuyNow upon reasonable enquiries, no such legal proceeding is pending or threatened.

eBuyNow has placed accurate copies of all the Employee plans of eBuyNow and the eBuyNow Subsidiaries in the Data Room.

eBuyNow and each eBuyNow Subsidiary has administered each of its Employee plans in accordance with the terms of the Employee plan and the Applicable Laws, and neither eBuyNow nor any eBuyNow Subsidiary nor, to the best of the knowledge of eBuyNow upon reasonable enquiries, any of their respective representatives, has breached any fiduciary obligation with respect to the administration of any Employee plan.

eBuyNow and each eBuyNow Subsidiary has (A) satisfied all of its current obligations under its Employee plans; and (B) paid when due all contributions, premiums, or taxes required in accordance with the terms of the Employee plans and the Applicable Laws.

No Employee plan is the subject of any legal proceeding that, individually or in the aggregate with any other legal proceeding or proceedings, would reasonably be expected to result in an

adverse material change to eBuyNow, and to the best of the knowledge of eBuyNow upon reasonable enquiries, no such legal proceeding is pending or threatened.

The execution, delivery, and performance of this Agreement will not: (A) result in any material payment or materially increase in the compensation or benefits otherwise due or payable to any current or former Employee; or (B) result in the acceleration of the time of payment or vesting of any material benefit or entitlement otherwise available under any Employee plan.

Insurance.

- I. Each of eBuyNow and the eBuyNow Subsidiaries is, and has been continuously since March 31, 2019, insured by reputable third-party insurers with reasonable and prudent policies appropriate for the size and nature of the business of eBuyNow and the eBuyNow Subsidiaries and their respective assets.
- II. eBuyNow has placed accurate copies of all the insurance policies of eBuyNow and the eBuyNow Subsidiaries in the Data Room.
- III. To the best of the knowledge of eBuyNow upon reasonable enquiries, each such insurance policy is binding and in full force and effect, and there is no material claim pending under any such insurance policy as to which coverage has been questioned, denied, or disputed.
- IV. There is no material claim pending under any insurance policy of eBuyNow or any eBuyNow Subsidiary that has been disputed, denied, or rejected by any insurer or as to which any insurer has made any reservation of rights or refused to cover all or any material portion of such claim.
- V. All material proceedings covered by any insurance policy of eBuyNow or an eBuyNow Subsidiary have been properly reported to and accepted by the applicable insurer.

Taxes. eBuyNow has placed accurate copies of all the tax returns of eBuyNow and the eBuyNow Subsidiaries for which applicable statutory periods of limitations have not expired in the Data Room.

Each of eBuyNow and the eBuyNow Subsidiaries has filed all of the tax returns that it is required to file when due in accordance with the Applicable Laws.

Each tax return that eBuyNow or an eBuyNow Subsidiary has filed as accurate as at the date of its filing.

Each of eBuyNow and the eBuyNow Subsidiaries has paid or has collected, withheld, and remitted to the appropriate Government Authority all taxes due and payable on a timely basis, other than those taxes being contested in good faith and in respect of which reserves have been provided in the eBuyNow interim financial statements.

eBuyNow has provided adequate accruals in accordance with GAAP in the eBuyNow interim financial statements for any taxes of eBuyNow and the eBuyNow Subsidiaries for the three months ended June 30, 2019, that have not been paid whether or not those taxes are shown as being due in any tax return.

Since the date of the eBuyNow interim financial statements, eBuyNow has not been assessed, and had neither incurred nor accrued any material liability in respect of taxes not reflected in the eBuyNow interim financial statements.

No material deficiencies, proposed adjustments, or other matters in controversy exist or have been asserted with respect to taxes of eBuyNow or any eBuyNow Subsidiary, and neither eBuyNow nor any eBuyNow Subsidiary is a party to any legal proceeding for the assessment or collection of taxes and, to the best of the knowledge of eBuyNow, no legal proceeding is pending or threatened.

There are no currently effective material agreements, elections, or waivers extending the statutory period or providing for any extension of time with respect to the assessment or reassessment of any taxes, or of the filing of any tax return or any payment of taxes, by eBuyNow or any eBuyNow Subsidiary.

Related Party Transactions. Neither eBuyNow nor any eBuyNow Subsidiary is indebted to any of its representatives or any of their affiliates or associates, except for amounts due in the ordinary course as salaries, bonuses, and the reimbursement of expenses, and none of its representatives or any of its affiliates or associates is indebted to eBuyNow or any eBuyNow Subsidiary.

Environmental Laws. eBuyNow and the eBuyNow Subsidiaries (and their respective businesses and operations):

- I. are, to the best of the knowledge of eBuyNow upon reasonable enquiries, in compliance with all applicable environmental laws and environmental approvals in

Canada and in other applicable foreign jurisdictions with environmental regulatory jurisdiction over eBuyNow or the eBuyNow Subsidiaries; and

- II. have obtained all environmental approvals that are required to carry on their respective businesses and operations under all applicable environmental laws;
- III. except where non-compliance with such environmental laws or environmental approvals or failure to obtain those environmental approvals could not reasonably be expected to have, individually or in the aggregate, a material adverse effect on eBuyNow.

Environmental Compliance. None of eBuyNow nor any of the eBuyNow Subsidiaries has, with respect to its businesses and operations, at any time received any written notice, written notice of default, order, summons, or notice of judgment or commencement of proceedings of any nature related to any material breach, liability or remedial action (or alleged material breach, liability or remedial action) arising under the environmental laws and environmental approvals that could reasonably be expected to have, individually or in the aggregate, a material adverse effect on eBuyNow, and neither of eBuyNow nor any of the eBuyNow Subsidiaries have (with respect to such businesses and operations) at any time given any written undertakings with respect to remedying any breach of, or liability under, applicable environmental laws that have not been duly performed, which breach or liability could reasonably be expected to have, individually or in the aggregate, a material adverse effect on eBuyNow.

Anti-Bribery. eBuyNow and the eBuyNow Subsidiaries and their directors, officers, employees and other representatives are familiar with and have conducted all transactions, negotiations, discussions and dealings in full compliance with anti-bribery and anti-corruption laws and regulations applicable in any jurisdiction in which they are located or conducting business.

Neither eBuyNow nor any eBuyNow Subsidiary has made any offer, payment, promise to pay, or authorization of payment of money or anything of value to any government official, or any other person while having reasonable grounds to believe that all or a portion of such money or thing of value will be offered, given or promised, directly or indirectly, to a government official, for the purpose of (i) assisting the parties in obtaining, retaining or directing business; (ii) influencing any act or decision of a government official in his or its official capacity; (iii) inducing a government official to do or omit to do any act in violation of his or its lawful duty, or to use his or its influence with a government or instrumentality thereof to affect or influence

any act or decision of such government or department, agency, instrumentality or entity thereof; or (iv) securing any improper advantage.

The operations of eBuyNow and the eBuyNow Subsidiaries are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements of the money laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any Governmental Authority (collectively, the "Applicable Anti-Money Laundering Laws") and no action, suit or proceeding by or before any Governmental Authority involving eBuyNow with respect to Applicable Anti-Money Laundering Laws is, to the best of the knowledge of eBuyNow upon reasonable enquiries, pending or threatened.

Privacy. eBuyNow and the eBuyNow Subsidiaries have collected, used, imported, exported and protected all personally identifiable information, and other information relating to individuals that is protected by law, in accordance with the privacy policies of eBuyNow and the eBuyNow Subsidiaries and in accordance with applicable law, including by entering into agreements, where applicable, governing the flow of such information across national borders.

Restriction on Business. The execution, delivery and performance of this Agreement does not and will not result in the restriction of eBuyNow and the eBuyNow Subsidiaries from engaging in its business or from competing with any person or in any geographical area and do not and will not result in a material adverse effect on eBuyNow and the eBuyNow Subsidiaries or trigger or cause to arise any rights of any person under any contract or arrangement to restrict eBuyNow and the eBuyNow Subsidiaries from engaging in the business it currently or proposes to carry on.

Any investigation by Globics, its representatives and/or its advisers shall not mitigate, diminish or affect the representation and warranties of eBuyNow provided pursuant to this Agreement.

In addition to making the foregoing representations and warranties, eBuyNow hereby makes to Globics the representations and warranties in section 3.2 (or other relevant section in the case of updating of the numbering of the sections therein), being representations and warranties made by eBuyNow to CE Brands Inc. and 1233336 B.C. Ltd., of the latest draft Amalgamation Agreement (the "**Amalgamation Agreement**") to be entered into between CE Brands Inc., 1233336 B.C. Ltd., and eBuyNow (the form of such representations and warranties shall be substantially the same as those set forth in the execution or final version of the Amalgamation

Agreement), and hereby confers upon Globics the benefit of those representations and warranties, as if eBuyNow had made them to Globics in this Article 4.2.

Article 5

[INTENTIONALLY LEFT BLANK]

Article 6

INDEMNIFICATION

- 6.1 **Indemnification.** Each Party (the “Indemnifying Party”) shall, at its own expense, indemnify, defend and hold harmless the other Party and its directors, officers, employees, agents, successors and assigns (the “Indemnified Parties”) against any third party liability that arises from or relates to any of the following: (i) any breach by the Indemnifying Party of any representation, warranty or covenant contained in this Agreement or (ii) any alleged infringement or other violation of any third party intellectual property to the extent caused by the Indemnifying Party. For the purpose of this Article 6, “liability” or “liabilities” means any and all claims, demands, actions, proceedings, awards, costs and expenses (including legal costs and disbursements), damages, losses, fines and other liabilities of whatsoever nature.
- 6.2 **Notice; Participation.** Each Party shall, promptly upon becoming aware of any circumstances which may lead to any action or demand for which a right of indemnity exists or might exist against the other, notify the other of such circumstances in as much detail as is then available to it. Where a claim is made against an Indemnified Party for which it is entitled to be indemnified under this Agreement, the Indemnifying Party, subject to it giving sufficient security against any costs and other liability, loss or damage which the Indemnified Party may incur in respect thereof and giving reasonable consideration to the observations and interests therein of the Indemnified Party, shall be granted control over the defense and settlement of such claim. The Indemnified Party shall not make any prejudicial admission or statement and shall (if so requested) provide reasonable assistance at the expense of the Indemnifying Party in defense and settlement of such claim. The Indemnified Party may participate in the defense of such claims with counsel of its own choosing at its sole cost and expense. The Indemnifying Party shall not settle any claim without the prior written consent of the Indemnified Party, such consent not to be unreasonably withheld, delayed or conditioned.
- 6.3 **Additional Remedies for Infringement.** If either Party reasonably determines on its own or receives any claim, action, suit or proceeding that the use of its intellectual property in accordance with this Agreement infringes the rights of any third party, the Party owning or holding the intellectual property may, at its sole discretion and at its own expense, (i) procure the right to continue using the intellectual property consistent with this Agreement, (ii) modify the intellectual property so that it becomes non-infringing, or (iii) replace the intellectual property with alternative intellectual property with substantially the same functionality or design that is non-infringing.

Article 7
GENERAL PROVISIONS

7.1 Gender and Number

The provisions of this Agreement shall be read with all changes in gender and number as may be required by the context.

7.2 Waiver and Amendment

This Agreement may only be amended by further written agreement executed and delivered by eBuyNow and Globics. No waiver or consent by a Party of or to any breach or default by another Party shall be effective unless evidenced in writing, executed and delivered by the party so waiving or consenting. No such waiver or consent shall operate as a waiver of or consent to any further or other breach or default in relation to the same or any other provision of this Agreement.

7.3 Expenses

Each of the Parties shall be responsible for its own costs and charges incurred with respect to the transactions contemplated herein including all costs and charges for legal and accounting fees and disbursements.

7.4 Confidentiality

- (1) Confidentiality. Except as may be required by a stock exchange or other trading facility or by any rule, regulation or law of any kind whatsoever which is applicable to a Party, except with the prior written consent of the other Parties, each Party and their respective employees, officers, directors, shareholders, agents, advisors and other representatives will not disclose to anyone other than their professional advisors and will hold all information received from the other Parties in the strictest confidence, except such information and documents which: (i) are or subsequently may become generally available to the public through no breach of this Agreement; (ii) are required to be disclosed by Applicable Laws; (iii) are available on a non-confidential basis prior to their disclosure to the other Parties; (iv) become available to one Party on a non-confidential basis from a source other than the other Parties provided that such other source is not bound by a confidentiality agreement with the other Parties; or (v) are independently developed.
- (2) The Parties shall consult with each other before any press release is issued or other public statement made with respect to this Agreement and the transactions provided hereby, and, except as may be required by Applicable Laws, no such press release or public statement shall

be issued or made without the prior consent of all of the Parties, such consent not to be unreasonably withheld.

7.5 Entirety of Agreement

This Agreement contains the entire agreement among the parties with respect to the matters of agreement herein, and the parties acknowledge and agree that there are no oral or other written agreements (including without limitation the Letter Agreement), undertakings, promises, conditions, representations or warranties respecting the matters of agreement herein.

7.6 Severance

If any provision of this Agreement is judicially determined to be void, illegal or unenforceable, such provision shall be ineffective to the extent of such voidness, illegality or unenforceability, but without invalidating or affecting the validity or enforceability of any of the remaining provisions of this Agreement.

7.7 Proper Law and Jurisdiction of Adjudication

This Agreement is governed by and will be construed in accordance with Hong Kong law. The parties agree any dispute, controversy or claim arising out of or relating to this agreement, or the breach termination or invalidity thereof, shall be settled by arbitration in accordance with the Hong Kong International Arbitration Centre Administered Arbitration Rules as at present in force. The appointing authority shall be Hong Kong International Arbitration Centre. The place of arbitration shall be in Hong Kong at Hong Kong International Arbitration Centre (HKIAC). The language to be used in the arbitral proceedings shall be English.

7.8 Notice

All notices and other communications required or permitted pursuant to or in relation to this Agreement shall be in writing and shall be:

- (a) personally served upon the addressee (if an individual) or an officer or director of the addressee (if a body corporate), in which case such notice or other communication shall be conclusively deemed to have been given to the addressee at the time of such service; or
- (b) Emailed, faxed and/or sent by postage prepaid first class mail addressed to the addressee at the following respective addresses:

- (i) In respect of Globics:
- Suite 3201, Gloucester Tower, The Landmark
- 11 Pedder Street, Central
- Hong Kong
- Attention: Loewe Lee, Managing Director
- Email: loewelee@nationalholdings.com.hk
- (ii) In respect of eBuyNow:
- Room 1901, 19/F, Tower 2, Phase 1
- Enterprise Square
- Attention: Craig Smith, President and CEO
- Email: craig.smith@ebuynow.com

or to such other addresses as may be given in writing by the Parties hereto in the manner provided for in this section. The shareholders of Globics direct all notices to be given to them be given to them care of Globics as provided for above.

Any notice or communication sent by postage prepaid first class mail shall conclusively be deemed to have been given to the addressee upon the expiration of the fifth day (excluding Saturdays, Sundays and statutory holidays), free from interruption in the postal service, from the date of mailing.

7.9 Construction

Each of the Parties hereto has had the opportunity to exercise business discretion in relation to the negotiation of the details of the transactions contemplated hereby. This Agreement is the result of arm's length negotiations from equal bargaining positions. It is expressly agreed that this Agreement shall not be construed against any party hereto, and no consideration shall be given or presumption made, on the basis of who drafted this Agreement or any particular provision thereof.

7.10 Time of the Essence

Time shall be of the essence in this Agreement.

7.11 Further Assurances

A Party shall, upon request of another party, execute and deliver or cause to be executed and delivered all such documents, deeds and other instruments of further assurance and do or cause to be done all such acts and things as may be reasonably necessary or advisable to implement and give full effect to the provisions of this Agreement.

7.12 Assignment and Enurement

Neither this Agreement nor any benefits, rights or obligations under this Agreement shall be assignable by any Party to it, by operation of Applicable Laws or otherwise, without the prior express written consent of the other Parties hereto which consent may be arbitrarily withheld. Subject to the foregoing provisions, this Agreement shall inure to the benefit of, be enforceable by and binding on the parties hereto and their respective successors and permitted assigns.

7.13 Counterpart Execution

This Agreement may be executed in as many counterparts as may be necessary, each of which so signed shall be deemed to be an original (and each signed copy sent by electronic or facsimile transmission shall be deemed to be an original) and such counterparts together shall constitute one and the same instrument and notwithstanding the date of execution shall be deemed to bear the date as set forth herein.

IN WITNESS WHEREOF the Parties have caused this Agreement to be duly executed and delivered.

[The rest of this page is intentionally left blank]

EBUYNOW ECOMMERCE LTD.

Per:



Authorized Signatory

Name of Signatory: Craig Smith

Title of Signatory: President and CEO

GLOBICS TECHNOLOGY LIMITED

Per:



Authorized Signatory

Name of Signatory: Loewe Lee

Title of Signatory: Authorised signatory