

This document is important and requires your immediate attention. If you have questions or need assistance, you should consult your investment dealer, broker or other professional adviser.

AEGIS BRANDS INC.
NOTICE OF SPECIAL MEETING OF SHAREHOLDERS
AND
MANAGEMENT INFORMATION CIRCULAR

As of October 17, 2022

For the Special Meeting to be held virtually via live webcast
on
Thursday, November 17, 2022 at 9 a.m. (Eastern Time)

The Board of Directors unanimously supports the Private Placement Resolution discussed in the enclosed management information circular and recommends that Shareholders vote FOR the Private Placement Resolutions.

AEGIS BRANDS INC.
210 Shields Court
Markham, Ontario L3R 8V2

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN to holders (the “**Shareholders**”) of **AEGIS BRANDS INC.** (the “**Corporation**”) common shares (the “**Common Shares**”) that a special meeting of Shareholders (the “**Meeting**”) will be held virtually via live webcast at Thursday, November 17, 2022 at 9 a.m. (Eastern Time) for the following purposes:

1. to consider, and if deemed advisable to approve, with or without variation, an ordinary resolution, the full text of which is set forth in Appendix A (the “**Private Placement Resolution**”) to the accompanying management information circular of the Corporation dated October 17, 2022 (the “**Circular**”), authorizing and approving the issuance by the Corporation on a private placement basis of: (a) up to 10,648,148 Common Shares issuable to the holders of subscription receipts for Common Shares (the “**Common Share Subscription Receipts**”) at a price of \$0.324 per Common Share Subscription Receipt; (b) up to 25,300 subscription receipts (the “**Convertible Debenture Subscription Receipts**”) for Convertible Debentures (as defined below) at a price of \$1,000 per Convertible Debenture Subscription Receipt; (c) up to 10,648,148 Common Shares to the holders of Common Share Subscription Receipts upon the fulfillment of the escrow release conditions attached thereto; (d) up to \$25,300,000 principal amount of 11% unsecured, subordinated convertible debentures of the Corporation (the “**Convertible Debentures**”) issuable to the holders of the Convertible Debenture Subscription Receipts upon the fulfillment of the escrow release conditions attached thereto; and (e) up to 52,164,948 Common Shares issuable to the holders of Convertible Debentures upon the conversion in full of the Convertible Debentures at a conversion price of \$0.485 (the “**Offering**”); and
2. to transact other business as may properly come before the Meeting or any adjournments thereof.

The Private Placement Resolution must be passed by the holders of a majority of the Common Shares represented in person or by proxy at the Meeting, excluding the Common Shares held by certain interested Shareholders (“**Participating Shareholders**”) and their affiliates and associates (collectively with the Participating Shareholders, the “**Excluded Shareholders**”) pursuant to the rules of the Toronto Stock Exchange set forth in Sections 607(e), 607(g)(i), 607(g)(ii) and 611(g) of the TSX’s Company Manual and in satisfaction of the majority of the minority approval requirements pursuant to Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*.

The accompanying Circular provides additional information relating to the Offering, the Private Placement Resolution and the Excluded Shareholders. Electronic copies of this Notice of Meeting and the Circular may be found on the Corporation’s SEDAR profile at www.sedar.com.

The Directors of the Corporation have fixed October 17, 2022 as the record date for the meeting and so all Shareholders as of that date are eligible to vote their Common Shares as the Meeting.

All Shareholders, other than CDS Clearing and Depository Services Inc. (“**CDS**”), must provide voting instructions in the manner described in the enclosed voting instruction form and in the Circular. **Your Common Shares will not be voted without your instructions.**

To proactively deal with the unprecedented public health impact of the novel coronavirus COVID-19, and to mitigate risks to the health and safety of the Shareholders, communities, employees and other stakeholders, the Meeting will be in a virtual-only format, which will be conducted via live webcast. All Shareholders, regardless of geographic location and equity ownership, will have an equal opportunity to participate at the Meeting. Shareholders will not be able to attend the Meeting in person. Registered Shareholders and duly appointed proxyholders will be able to attend, participate and vote at the Meeting online at <https://meetnow.global/MMPHCKD>. Guests and non-registered Shareholders (being Shareholders who hold their Common Shares in the capital of the Corporation through a broker, investment dealer, bank, trust company, custodian, nominee or other intermediary) who have not duly appointed themselves as proxyholder will not be able to vote or ask questions at the Meeting.

Due to the virtual nature of the Meeting, Shareholders are encouraged to express their vote in advance by completing a form of proxy or voting instruction form, or where advanced voting is not possible, to do so at the virtual Meeting. Detailed voting instructions can be found in the circular.

Registered Shareholders of the Corporation, including CDS, must deposit completed proxies with Computershare Investor Services Inc., Attention: Proxy Department, 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1 not later than 9 a.m. (Eastern Time) on Tuesday, November 15, 2022 or on the second last business day prior to any adjournment or postponement of the meeting. However, all Shareholders other than CDS must communicate their voting instructions well in advance of this deadline in order to allow their instructions to be processed before the deadline.

We urge you to read these materials carefully and cast your **vote in favour of the Private Placement Resolution**.

DATED at Toronto, Ontario this 17th day of October, 2022.

AEGIS BRANDS INC.

Michael Bregman
Chair of the Board of Directors

Table of Contents

	Page
THE MEETING	2
Introduction	2
Date, Time and Place of the Meeting	2
Record Date and Quorum	2
Private Placement Resolution	2
Virtual Meeting	3
Solicitation of Proxies	4
Voting of Proxies.....	4
How to Vote	4
VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES	7
CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING INFORMATION.....	8
APPROVAL OF THE PRIVATE PLACEMENT RESOLUTION.....	8
Overview of the Transaction	8
Overview of the Offering	9
Disinterested Shareholder Approval of the Offering.....	15
Recommendation of the Board.....	15
Reasons for Recommendation of the Board	16
MI 61-101 Considerations	16
AUDITORS, TRANSFER AGENT AND REGISTRAR.....	17
INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS AND MATTERS TO BE ACTED UPON AT THE MEETING	17
ADDITIONAL INFORMATION.....	17
SHAREHOLDER PROPOSALS	17
OTHER BUSINESS	17
APPROVAL OF CIRCULAR.....	18
APPENDIX A	19

AEGIS BRANDS INC.

MANAGEMENT INFORMATION CIRCULAR

THE MEETING

This Management Information Circular (this “**Circular**”) is being sent to you as a holder of common shares (the “**Common Shares**”) of Aegis Brands Inc. (the “**Corporation**”) in connection with the special meeting of shareholders of the Corporation (“**Shareholders**”) to be held on Thursday, November 17, 2022 at 9 a.m. (Eastern Time) (the “**Meeting**”).

Introduction

Unless otherwise stated, the information contained in this Circular is as of October 17, 2022.

No person is authorized to give any information or to make any representation other than those contained in this Circular and, if given or made, such information or representation should not be relied upon as having been authorized by the Corporation. The delivery of this Circular shall not, under any circumstances, create an implication that there has not been any change in the information set forth herein since the date hereof.

All references to Shareholders in this Circular and the accompanying form of proxy and notice of Meeting are to be Shareholders of record unless specifically stated otherwise. All dollar amounts referenced herein, unless otherwise indicated are expressed in Canadian dollars.

The Common Shares of the Corporation are listed on the Toronto Stock Exchange (“**TSX**”) under the trading symbol “**AEG**”. The Corporation’s principal business office is located at 210 Shields Court, Markham, Ontario, L3R 8V2.

Date, Time and Place of the Meeting

The Meeting is to be held virtually, conducted via live webcast at <https://meetnow.global/MMPHCKD> on Thursday, November 17, 2022 at 9 a.m. (Eastern Time).

Record Date and Quorum

The directors of the Corporation (“**Directors**”) have fixed October 17, 2022, as the record date (the “**Record Date**”) for the Meeting. A quorum for the Meeting consists of two or more individuals deemed to be present at the Meeting either holding personally or representing by proxy not less in aggregate than 10% of the votes attached to all outstanding Common Shares.

Private Placement Resolution

In order for the Offering (as defined herein) to proceed, under the rules of the TSX set out in the TSX Company Manual (the “**TSX Manual**”), the Offering must be approved by an ordinary resolution set forth in Appendix A of this Circular (the “**Private Placement Resolution**”) passed by a majority of the Common Shares represented in person or by proxy at the Meeting, excluding the Common Shares held by the Shareholders who have participated in the Offering (the “**Participating Shareholders**”) and their affiliates and associates (collectively with the Participating Shareholders, the “**Excluded Shareholders**”). Shareholders who are not Excluded Shareholders are referred to herein as “**Disinterested Shareholders**”.

Pursuant to Sections 607(e), 607(g)(i), 607(g)(ii) and 611(g) of the TSX Manual, the Corporation is required to seek and obtain the approval of the majority of the Common Shares of Disinterested Shareholders represented in person or by proxy at the Meeting (the “**Disinterested Shareholder Approval**”) in connection with: (a) the participation by certain directors, officers and holders of more than 10.0% of the issued and outstanding Common Shares of the Corporation (“**Participating Insiders**”) resulting in the

number of Common Shares issued and issuable (on the full conversion of the Convertible Debentures) exceeding 10% of the currently issued and outstanding Common Shares; (b) the number of Common Shares issued and issuable in the aggregate (on the full conversion of the Convertible Debentures) exceeding 25% of the currently issued and outstanding Common Shares; and (c) the issuance of securities at a price deemed to be less than the TSX permitted discount to the market price, and which price was determined before the Transaction (as defined below) and the Offering were publicly announced, all as discussed in greater detail under “*Approval of the Private Placement Resolution*” below.

Virtual Meeting

To proactively deal with the unprecedented public health impact of the novel coronavirus COVID-19, and to mitigate risks to the health and safety of the Corporation’s Shareholders, communities, employees and other stakeholders, the Meeting will be in a virtual-only format, which will be conducted via live webcast. All Shareholders, regardless of geographic location and equity ownership, will have an equal opportunity to participate at the Meeting. Shareholders will not be able to attend the Meeting in person. Registered Shareholders and duly appointed proxyholders will be able to attend, participate or vote at the Meeting online at <https://meetnow.global/MMPHCKD>. Guests and non-registered Shareholders (being Shareholders who hold their Common Shares through a broker, investment dealer, bank, trust company, custodian, nominee or other intermediary) who have not duly appointed themselves as proxyholder will not be able to vote or ask questions at the Meeting.

You can participate in the Meeting online using your smartphone, tablet or computer. Check that your browser for whichever device you are using is compatible by visiting <https://meetnow.global/MMPHCKD> in advance of the meeting. You will need the latest version of Chrome, Safari, Edge or Firefox (please do not use Internet Explorer). As usual, you may also provide voting instructions before the Meeting by completing the form of proxy or voting information form that has been provided to you. By participating online, you will be able to hear / view a live webcast of the Meeting, ask the presenters questions online and submit your votes in real time. The online Meeting will ensure that Shareholders who attend the Meeting will be afforded the same rights and opportunities to participate as they would at an in-person meeting.

To attend and vote at the virtual Meeting, United States Non-Registered holders must first obtain a valid legal proxy from their broker, bank or other agent and then register in advance to attend the Meeting. They must follow the instructions from their broker or bank included with the Meeting Materials, or contact their broker or bank to request a legal proxy form. After first obtaining a valid legal proxy from your broker, bank or other agent, to then register to attend the Meeting, United States Non-Registered holders must submit a copy of their legal proxy to Computershare. Requests for registration should be directed to:

Computershare
100 University Avenue
8th Floor
Toronto, Ontario
M5J 2Y1
OR

Email at USLegalProxy@computershare.com

Requests for registration must be labelled as “Legal Proxy” and be received no later than 9 a.m. (Eastern Time) on November 15, 2022. United States Beneficial holders will receive a confirmation of their registration by email after the Corporation receives their registration materials. United States Beneficial holders may attend the Meeting and vote their shares at <https://meetnow.global/MMPHCKD> during the Meeting. Please note that United States Non-Registered holders are required to register their appointment at www.computershare.com/Aegis.

Solicitation of Proxies

This Circular is furnished in connection with the solicitation of proxies by management of the Corporation, for use at the Meeting and at any adjournments thereof, for the purposes set forth in the accompanying Notice of Meeting. The Corporation may pay investment dealers or other service providers for their reasonable expenses for sending this Circular and other Meeting materials to Shareholders and obtaining voting instructions and/or proxies. It is expected that the solicitation of proxies for the Meeting will be primarily by mail, but proxies may also be solicited by telephone or personally by regular employees of the Corporation at nominal cost. The cost of solicitation will be borne by the Corporation.

The Corporation will send its Meeting Materials (as defined herein) directly to non-objecting beneficial owners under National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer*. The Corporation intends to pay for proximate intermediaries to forward the Meeting Materials and the voting instruction form to Non-Registered Beneficial Shareholders.

The Notice of Meeting, Circular and other related materials of the Meeting (the “**Meeting Materials**”) are available electronically for download by Shareholders under the Corporation’s profile on SEDAR at www.sedar.com or on the Corporation’s website at www.aegisbrands.ca.

Voting of Proxies

Common Shares represented by a properly executed proxy will be voted or withheld from voting on any ballot that may be conducted at the Meeting or at any adjournment or postponement of the Meeting in accordance with the instructions of the registered Shareholder indicated on the proxy, and if the registered Shareholder specifies a choice with respect to a matter to be acted on, those Common Shares will be voted accordingly. In the absence of instructions, those Common Shares will be voted “FOR” each of the matters referred to in the form of proxy. The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice of Meeting, or other matters which may properly come before the Meeting. At the time of the printing of this Circular, the Directors know of no such amendments, variations or other matters to come before the Meeting. Should such matters arise, the persons named in the enclosed form of proxy will vote in accordance with their judgment on such matters or business.

How to Vote

Due to the virtual nature of the Meeting, Shareholders are encouraged to express their vote in advance by completing a form of proxy or voting instruction form, or where advanced voting is not possible, to do so online at the Meeting. **You may also appoint another proxyholder, who need not be a Shareholder, to attend the virtual Meeting and vote your Common Shares for you on your behalf by completing the form of proxy or voting instruction form accordingly.** If you are a non-registered beneficial Shareholder (as defined in the table below), please consult your intermediary for instructions.

Please follow the instructions below based on whether you are a non-registered (beneficial) Shareholder or a registered Shareholder.

	Registered Shareholders & Non-Objecting Beneficial Owners (proxy form) <i>A registered Shareholder is a Shareholder that has a share certificate or direct registration system advice issued in such Shareholder's name.</i>	Non-Registered Beneficial Shareholders (voting instruction form) <i>Non-registered beneficial holders who own Common Shares but whose Common Shares are registered in the name of an intermediary (such as a securities broker, financial institution, trustee, custodian or other nominee)</i> <i>Your intermediary will send you a voting instruction form</i>
Voting Prior to the Meeting (by Mail)	<ul style="list-style-type: none"> Complete and sign the form of proxy and return the form in the envelope provided or as otherwise indicated on the form of proxy no later than 9 a.m. (Eastern Time) on November 15, 2022. Those receiving a proxy form from Computershare will receive a 15 digit control number. If attending the virtual Meeting, log in by following the instructions below. 	<ul style="list-style-type: none"> Complete the voting instruction form and return it in the envelope provided or by following the instructions on the voting instruction form well in advance of the deadline for the receipt of proxies of 9 a.m. (Eastern Time) on November 15, 2022. Those receiving a voting instruction form from Broadridge will receive a 16 digit control number. If attending the virtual Meeting, log in by following the instructions below.
Voting Prior to the Meeting (by Phone)	<ul style="list-style-type: none"> Call 1-866-732-VOTE (8683) (toll-free in North America). You will need to enter your 15-digit control number printed on the front of your proxy form. Follow the interactive voice recording instructions to submit your vote. 	<ul style="list-style-type: none"> Call 1-800-474-7493 (English) or 1-800-474-7501 (French). You will need to enter your 16-digit control number printed on the front of your voting instruction form. Follow the interactive voice recording instructions to submit your vote.
Voting Prior to the Meeting (Online)	<ul style="list-style-type: none"> Go to www.investorvote.com. You will need to enter your 15-digit control number printed on the front of your proxy form and follow the instructions on screen. 	<ul style="list-style-type: none"> Go to www.proxyvote.com. Enter your 16-digit control number printed on the front of your voting instruction form and follow the instructions on screen.
Voting at the Meeting	<ul style="list-style-type: none"> If you are unable to vote in advance by completing a form of proxy, you may vote online at the Meeting: <ul style="list-style-type: none"> Log in at https://meetnow.global/MMPH_CKD at least 15 minutes before the Meeting starts Prior to the start of the Meeting to login, click on "Shareholder" and enter your 15-digit control number or Invite Code. Non-Registered Owners who have not appointed themselves to vote at the Meeting, may login as a guest, by clicking on "Guest" and completing the online form. Control Number: the 15 digit control number located on the 	<ul style="list-style-type: none"> If you are unable to vote in advance by completing a voting instruction form, follow the instructions on your voting instruction form: <ul style="list-style-type: none"> Complete your name in the space provided to instruct your intermediary to appoint you as proxyholder Do not complete the voting instructions section of the form as you will be voting at the Meeting Sign and return the voting instruction form according to the delivery instructions provided Non-Registered Shareholders who appoint themselves as a proxyholder MUST register with Computershare at www.computershare.com/Aegis AFTER submitting their voting instruction form in

<p>Registered Shareholders & Non-Objecting Beneficial Owners (proxy form)</p> <p><i>A registered Shareholder is a Shareholder that has a share certificate or direct registration system advice issued in such Shareholder's name.</i></p>	<p>Non-Registered Beneficial Shareholders (voting instruction form)</p> <p><i>Non-registered beneficial holders who own Common Shares but whose Common Shares are registered in the name of an intermediary (such as a securities broker, financial institution, trustee, custodian or other nominee)</i></p> <p><i>Your intermediary will send you a voting instruction form</i></p>	
	<p>form of proxy or in the email notification you received from Computershare.</p> <ul style="list-style-type: none"> ○ Non-registered holders who appoint themselves will get an Invite Code and not a Control Number. ○ Voting at the meeting will only be available for Registered Shareholders and duly appointed proxyholders. <ul style="list-style-type: none"> ● You have to be connected to the Internet at all times to be able to vote. 	<p>order to receive an Invite Code.</p> <ul style="list-style-type: none"> ● To vote online at the Meeting: <ul style="list-style-type: none"> ○ Log in at https://meetnow.global/MMPHCKD at least 15 minutes before the Meeting starts ○ Prior to the start of the Meeting to login, click on "Shareholder" and enter your Invite Code. Non-Registered Owners who have not appointed themselves to vote at the Meeting, may login as a guest, by clicking on "Guest" and completing the online form. ○ An Invite Code will be provided by Computershare via email, provided your appointment has been registered based on the instructions on the voting instructions form ○ Voting at the meeting will only be available for Registered Shareholders and duly appointed proxyholders. ● You have to be connected to the Internet at all times to be able to vote.
<p>Changing Your Vote</p>	<ul style="list-style-type: none"> ● Revoke the proxy by: <ul style="list-style-type: none"> ○ Completing and signing a proxy bearing a later date and depositing it as aforesaid. ○ Depositing an instrument in writing executed by the Shareholder or by his, her or its attorney authorized in writing: <ul style="list-style-type: none"> ● at the registered office of the Corporation at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof at which the proxy is to be used, or ● with the Chair of the 	<ul style="list-style-type: none"> ● Contact your intermediary for instructions.

<p>Registered Shareholders & Non-Objecting Beneficial Owners (proxy form)</p> <p><i>A registered Shareholder is a Shareholder that has a share certificate or direct registration system advice issued in such Shareholder's name.</i></p>	<p>Non-Registered Beneficial Shareholders (voting instruction form)</p> <p><i>Non-registered beneficial holders who own Common Shares but whose Common Shares are registered in the name of an intermediary (such as a securities broker, financial institution, trustee, custodian or other nominee)</i></p> <p><i>Your intermediary will send you a voting instruction form</i></p>	
	<p>Meeting prior to the commencement of the Meeting on the day of such Meeting or any adjournment thereof; or</p> <ul style="list-style-type: none"> ○ In any other manner permitted by law. ● Change your vote by: <ul style="list-style-type: none"> ○ Sending in another properly completed and signed proxy form with a later date, as long as it is received by the cut-off time noted above. 	

All Non-Registered Beneficial Shareholders should communicate their voting instructions in accordance with directions received from the Intermediary holding Common Shares on their behalf well in advance of the deadline for the receipt of proxies of 9 a.m. (Eastern Time) on November 15, 2022 in order to allow their instructions to be processed before the deadline.

Shareholders (registered or non-registered) who wish to appoint a third party proxyholder to represent them at the online meeting must submit their proxy or voting instruction form (as applicable) prior to registering their proxyholder. Registering the proxyholder is an additional step once a shareholder has submitted their proxy/voting instruction form. Failure to register a duly appointed proxyholder will result in the proxyholder not receiving an Invite Code to participate in the meeting. To register a proxyholder, shareholders MUST visit www.computershare.com/Aegis by 9 a.m. (Eastern Time) on November 15, 2022 and provide Computershare with their proxyholder's contact information, so that Computershare may provide the proxyholder with an Invite Code via email.

Non-Registered Shareholders who do not have a 15-digit control number or Invite Code will only be able to attend as a guest which allows them listen to the meeting however will not be able to vote or submit questions.

Without a Username or Invite Code, proxyholders will not be able to vote at the Meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

As of the date hereof, the Corporation has 23,230,227 Common Shares issued and outstanding, each of which entitles the holder to one vote per Share. Each holder of Common Shares of record at the close of business on the Record Date will be entitled to one vote for each Share held on all matters proposed to come before the Meeting.

As at the date hereof, to the knowledge of the Directors and the executive officers of the Corporation, PDPJHP Ontario Ltd. (“POL”) beneficially owns, directly or indirectly, or controls or directs voting securities of the Corporation carrying 10% or more of the voting rights attached to any class of voting securities of the Corporation. To the Corporation’s knowledge, as of the date hereof, POL owns or exercises control over 2,991,900 Common Shares, representing approximately 13% of the issued and outstanding Common Shares.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING INFORMATION

This Circular contains forward-looking statements and forward-looking information (collectively, “**forward-looking statements**”). More particularly, this Circular contains forward-looking statements concerning: the transactions contemplated by the Purchase Agreement (as defined below) and the terms thereof, including the Offering, including the number, the price and the type of securities to be issued by the Corporation pursuant to the Offering, the timing of closing of the Offering; the conditions for closing the transactions contemplated by the Purchase Agreement; the use of proceeds from the Offering; the benefits of the Offering and participation of the Participating Shareholders (including the Participating Insiders) in the Offering. In addition, the use of any of the words “guidance”, “initial”, “scheduled”, “can”, “will”, “prior to”, “estimate”, “anticipate”, “believe”, “should”, “forecast”, “future”, “continue”, “may”, “expect”, and similar expressions are intended to identify forward-looking statements.

The forward-looking statements contained in this Circular are based on the terms of the Purchase Agreement and certain key expectations and assumptions including but not limited to expectations and assumptions concerning the ability to obtain the Disinterested Shareholder Approval; the ability to complete the Offering on the terms and conditions contemplated herein; the ability to satisfy all conditions for closing of the transactions contemplated hereby and for issuance of the Common Shares in exchange for the Common Share Subscription Receipts; and other assumptions identified herein. Although the Corporation believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because there is no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, obtaining all necessary approvals for the transactions contemplated by the Purchase Agreement (including that of the TSX pursuant to the TSX Manual) and any conditions to such approvals; the ability to obtain Disinterested Shareholder Approval; the risk associated with completing the Offering; and the risks of satisfying all conditions for closing of the transactions contemplated by the Purchase Agreement.

Additional information on these and other factors that could affect the Corporation’s operations and financial results following the completion of the transactions contemplated hereby are included in its Annual Information Form for the year ended December 31, 2021 and other reports on file with Canadian securities regulatory authorities, which may be accessed through the SEDAR website (www.sedar.com).

The forward-looking statements contained in this Circular are made as of the date hereof and the Corporation does not undertake any obligation to update or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

APPROVAL OF THE PRIVATE PLACEMENT RESOLUTION

Overview of the Transaction

The Corporation announced on September 29, 2022 that a definitive agreement (the “**Purchase Agreement**”) had been entered into by the Corporation’s wholly-owned subsidiary, SLF Operations Limited Partnership (the “**Purchaser**”) to acquire St. Louis Bar & Grill[®] (“**St. Louis**”) from St. Louis Franchise Limited (the “**Vendor**”) for total consideration of \$50.0 million (the “**Purchase Price**”), subject to certain closing adjustments (the “**Transaction**”). Pursuant to the Transaction, the Corporation will acquire, indirectly, substantially all of the assets and intellectual property of “St. Louis Bar & Grill”[®] brand and

trademark and will satisfy the Purchase Price entirely with cash. A copy of the current draft of the Purchase Agreement has been filed to the Corporation's profile on SEDAR and can be found at www.sedar.com.

St. Louis Bar and Grill® is a Toronto based franchised casual dining bar & grill company, operating in 73 locations across 4 provinces. Founded in Toronto in 1992, St. Louis is recognized for its signature wings, ribs, and garlic dill sauce. St. Louis' neighbourhood restaurants offer exceptionally friendly service in a fun, casual sports bar & grill setting.

The opportunity to potentially acquire the assets associated with the "St. Louis Bar & Grill"™ brand was identified in or about the Spring of 2022. The Corporation's management evaluated the opportunity and determined that the St. Louis brand aligned fully with the Corporation's growth strategy in light of the following:

1. an extremely profitable and long-standing Canadian grown business;
2. Canada-wide assets;
3. exceptional brand awareness and best in class operating and financial metrics;
4. franchise and development platform, which could be leveraged to assist Bridgehead's growth;
5. emerging grocery and e-commerce, on which the Corporation (through Bridgehead) has focussed over the last year and which the Corporation views as a significant growth opportunity for the St. Louis brand;
6. very loyal and high quality employees; and
7. great growth potential.

The Purchase Price will be partially financed through the Corporation's existing development line of credit with Canadian Western Bank Franchise Finance (the "**Senior Facility**") for an aggregate gross amount of \$30,000,000. The Senior Facility has a term of 59 months and is secured by first ranking security interest on all assets and subsidiaries of the Corporation. The Senior Facility will bear an interest rate of prime plus an applicable margin of 2.75% (8.20% effective rate) and will amortize over a ten (10) year period.

The balance of the Purchase Price will be financed through the Offering, as discussed below.

Overview of the Offering

In connection with the Transaction, the Corporation engaged Echelon Capital Markets ("**Echelon**") acting as co-lead agent and sole bookrunner, and Canaccord Genuity Corp. acting as co-lead agent (and together with Echelon, the "**Agents**") to conduct a "best efforts" private placement offering of subscription receipts.

The Corporation announced that it closed the Offering on September 29, 2022 for gross proceeds of \$28,420,356 million, representing \$3,375,356 of Common Share Subscription Receipts (as defined below) and \$25,045,000 of Convertible Debenture Subscription Receipts (as defined below).

The Offering consisted of: (i) up to \$3,000,000 or 9,259,259 common share subscription receipts (each a "**Common Share Subscription Receipt**") at a price of \$0.324 per Common Share Subscription Receipt and (ii) up to \$22,000,000 in principal amount of (or 22,000) convertible debenture subscription receipts (each a "**Convertible Debenture Subscription Receipt**") at a price of \$1,000 per Convertible Debenture Subscription Receipt, for total gross proceeds of a total of \$25,000,000, subject to a 15% over-allotment granted to the Agents on each of the Common Share Subscription Receipt and Convertible Debenture Subscription Receipt private placements (the "**Over-Allotment Option**"), for total maximum aggregate proceeds of \$28,750,000 (resulting in the maximum issuance of 62,813,096 Common Shares (assuming the full exercise of the Over-Allotment Option and conversion in full of the Convertible Debentures at a conversion price of \$0.485)).

Each Common Share Subscription Receipt entitles the holder thereof to receive, upon the satisfaction of certain conditions, including the completion of the Transaction (the "**Escrow Release Conditions**"), and without payment of additional consideration or further action, one Common Share.

Each Convertible Debenture Subscription Receipt entitles the holder thereof to receive, upon the satisfaction of certain conditions, one \$1,000 principal amount, unsecured convertible debenture (the “**Convertible Debentures**”).

The Convertible Debentures shall bear interest of 11.0% per annum and shall have a maturity date of sixty (60) months from the date of their issuance (the “**Maturity Date**”).

The Convertible Debentures will be convertible at the holder’s option into Common Shares at any time prior to the close of business on the Maturity Date at a conversion price of \$0.485. The Corporation will use the aggregate net proceeds from the Offering to fund a portion of the Purchase Price, transaction related expenses and for general corporate purposes.

The Common Shares, Convertible Debentures, and the Common Shares issued upon conversion of the Convertible Debentures are subject to a statutory hold for a period of four months and one day from the closing date of the Offering.

Escrow Release Conditions

The escrow release conditions (“**Escrow Release Conditions**”) are confirmed in two subscription receipt agreements entered into among the Corporation, the Agents and Computershare Trust Company of Canada, as subscription receipt agent (the “**Subscription Receipt Agent**”) on September 29, 2022 (the “**Subscription Receipt Agreements**”).

The Escrow Release Conditions include the requirement that all necessary approvals of the TSX (including all shareholder approvals required by the TSX) be obtained within 120 days of the date of closing of the Offering.

If the Escrow Release Conditions are not met within 120 days of the date of closing of the Offering, the Subscription Receipts will be cancelled and the subscription funds held in escrow by the Subscription Receipt Agent will be returned to the subscribers, together with any accrued and unpaid interest thereon calculated and paid in accordance with the terms of the Subscription Receipt Agreements, without penalty.

Participation by Insiders in the Offering

Participating Insiders acquired an aggregate of \$2,400,000 of Common Share Subscription Receipts and Convertible Debenture Subscription Receipts under the Offering, representing approximately 9.6% of the Common Shares (assuming full exercise of the Over-allotment Option) issuable under the Offering and 8.2% (assuming full exercise of the Over-allotment Option) of the Convertible Debentures issuable under the Offering as summarized below.

The Participating Insiders will acquire the number of Common Shares noted next to their names in the table below, which will result in each holding the number of Common Shares set forth below (assuming full conversion of Common Share Subscription Receipts, Convertible Debenture Subscription Receipts and Convertible Debentures, as applicable):

Participating Insider	# of Common Shares Currently Held (% of currently issued and outstanding)	# of Common Shares to be issued or issuable pursuant to Offering (% of Offering)⁽¹⁾	Total # of Common Shares after Offering (% of total issued and outstanding Common Shares after issuance of 10,648,148 Common Shares under Offering and assuming full conversion by Participating Insiders only)	Total # of Common Shares after Offering (% of total issued and outstanding Common Shares after issuance of 10,648,148 Common Shares and assuming full conversion by all participants in Offering)

Common Share Subscription Receipts				
Steven Pelton (CEO)	577,038 (2.48%)	617,282 (0.98%)	1,194,320 (3.13%)	1,194,320 (1.39%)
Convertible Debenture Subscription Receipts				
PDPJJHP Ontario Ltd. (10% holder)	2,991,900 (12.88%)	2,061,856 (3.28%)	5,053,756 (13.25%)	5,053,756 (5.87%)
Melinda Lee (CFO)	42,267 (0.18%)	144,330 (0.23%)	186,597 (0.49%)	186,597 (0.22%)
Combination of Subscription Receipts				
Michael Bregman (Director)	1,000,632 (4.31%)	2,461,856 ⁽²⁾ (3.92%)	3,462,487 (9.08%)	3,462,487 (4.02%)
TOTAL	4,611,837 (19.85%)	5,285,323 (8.41%)	9,897,160 (25.95%)	9,897,160 (11.50%)

(1) Based on a maximum of 62,813,096 Common Shares issuable.

(2) Mr. Bregman has subscribed for \$129,600 in Common Share Subscription Receipts and \$1,000,000 in principal amount of Convertible Debenture Subscription Receipts.

Participating Shareholders

To the best of the Corporation's knowledge, the details of the Shareholders who participated in the Offering ("Participating Shareholders") are summarized below:

Participating Shareholders			
	# of Common Shares Currently Held	# of Common Shares to be issued or issuable pursuant to Offering	Percentage of total Common Shares issued and outstanding as of the date of the Circular
Steven Pelton	577,038	617,282	2.48%
Michael Bregman	1,000,632	2,461,856	4.31%
Melinda Lee	42,267	144,330	0.18%
PDPJJHP Ontario Ltd.	2,991,900	2,061,856	12.88%
Stephen Phillip	800,000	1,003,086	3.44%
Jeff York	1,020,276	1,543,209	4.39%
Jamie Wright	17,300	77,160	0.07%
Matthew Bonneville	13,500	154,639	0.06%
Canso Investment Counsel Ltd.	2,390,000	4,802,711	10.29%

The aggregate participation of Participating Shareholders in the Offering is summarized below (which includes the participation of the Participating Insiders summarized above). The maximum number of Common Shares issuable pursuant to the Offering will be 62,813,096 which represents 270% dilution based on the 23,230,277 Common Shares currently issued and outstanding.

Shareholder Summary								
	Current Common Shares		Common Shares Issuable upon Conversion of Common Share Subscription Receipts		Common Shares Issuable upon Conversion of Convertible Debentures Subscription Receipts ⁽¹⁾		Total Common Shares on Closing of Transaction ⁽¹⁾	
	# of Shares	%	# of Shares	%	# of Shares	%	# of Shares	%
Existing Shareholders	23,230,277	100%	4,319,738	40.6%	8,546,392	16.38%	36,096,407	41.95%
New Shareholders	0	0%	6,328,410	59.4%	43,618,556	83.62%	49,946,966	58.05%
Total	23,230,277	100%	10,648,148	100%	52,164,948	100%	86,043,373	100%

(1) Assumes full conversion of all convert debentures at conversion price.

Creation of a New Insider

Ewing Morris & Co. Investments through a number of entities (collectively referred to as “EMI”) has committed to subscribe for \$4,500,000 in principal amount of Convertible Debenture Subscription Receipts entitling it to receive \$4,500,000 in principal amount of Convertible Debentures. If EMI was to exercise its conversion rights (and no other holder of Convertible Debentures were to exercise their conversion rights), EMI would hold 9,278,351 Common Shares which would represent 27.4% of the 33,878,425 Common Shares that would be then outstanding (assuming the issuance of 10,648,148 Common Shares pursuant to the Offering, as discussed above).

The Corporation has required, and EMI has agreed, to the following language being included in the form of convertible debenture indenture (the “**Indenture**”) to ensure that no person can become a 20% holder of Common Shares through the conversion of the Convertible Debentures:

Notwithstanding any other provision of this Section 4.1, the Holder of a Debenture shall not have the right to deliver a Conversion Notice to the extent that the issuance of Common Shares in accordance with the provisions of Article 4, when added to the aggregate number of Common Shares beneficially owned, controlled or directed by such Debentureholder, together with each person or company acting in concert by virtue of an agreement, arrangement, commitment or understanding with such Debentureholder on the Business Day preceding the Conversion Date, would result in such Debentureholder, together with each person or company acting in concert by virtue of an agreement, arrangement, commitment or understanding with such Debentureholder beneficially owning, controlling or directing Common Shares representing more than 19.9% of the total issued and

Outstanding Common Shares on the Business Day preceding the Conversion Date.

To the extent that EMI exercises its conversion rights such that it will hold 10% or more of the issued and outstanding Common Shares, it will be required to comply with all applicable securities laws. EMI also understands that it will be need to comply with all requirements of the TSX, including the submission of all required Personal Information Forms.

Dilution Scenarios

The TSX will require the Corporation to deliver a written undertaking from a senior officer to the TSX confirming that the Corporation will not issue upon conversion, redemption, maturity and interest payments of the Convertible Debentures, an aggregate number of Common Shares that is greater than the number approved by the TSX (which as of the date hereof is 62,813,096 Common Shares), unless the prior written consent of the TSX has been obtained for such excess issuance.

The Convertible Debentures do not permit the Corporation to repay the principal in Common Shares at maturity nor to make any payment of interest in Common Shares.

Since the minimum conversion price and the maximum number of Common Shares issuable pursuant to the Convertible Debentures are subject to adjustment, in accordance with Section 3 of TSX Staff Notice 2018-0005 - *Security Holder Approval Disclosure Requirements*, the Corporation is required to disclose several dilution scenarios, including the (i) minimum conversion price; and (ii) maximum number of Common Shares issuable under each such scenario, as set forth in the table below:

Scenario	Minimum Conversion Price	Maximum Conversion Price	Maximum Number of Common Shares Issuable
No Conversion pursuant to Optional Conversion ⁽¹⁾	\$0.485	\$0.485	0
Full Conversion Pursuant to Optional Conversion ⁽¹⁾	\$0.485	\$0.485	52,164,948

(1) Each holder of Convertible Debenture (each, a “**Holder**”) shall have the right at any time after the date on which the Convertible Debentures are issued by the Corporation (the “**Issue Date**”) and prior to the close of business on the earliest of (i) the business day immediately preceding the Maturity Date or, (ii) if called for redemption, the business day immediately preceding the later of (a) the date that is 48 months before the Maturity Date (b) the date elected by the Corporation for redemption (the “**Redemption Date**”) or (iii) if called for repurchase, the business day immediately preceding the date no later than the third business day following the expiry date specified in an offer to purchase (the “**Offer to Purchase**”) in which the Corporation shall take up and pay for all the Convertible Debentures at the holder’s option to convert each \$1,000 principal amount of his Convertible Debentures into that number of Common Shares equal to the conversion number (being \$1,000 divided by the Conversion Price, which is \$0.485).

The Convertible Debentures become automatically convertible at the election of the Holders in the event of a Cash Change of Control. A “**Cash Change of Control**” means a Change of Control (as defined below) in which 10% or more of the consideration for the Common Shares in the transaction(s) constituting a Change of Control consists of: (a) cash, (b) equity securities, including trust units, limited partnership units or other participating securities of a trust, limited partnership or similar entity, that are not traded or intended to be traded immediately following such transaction(s) on a stock exchange, or (c) other property that is not traded or intended to be traded immediately following such transaction(s) on a stock exchange.

A “**Change of Control**” means (a) the acquisition by any person, or group of persons acting jointly or in concert within the meaning of the *Securities Act* (Ontario), of voting control or direction over Common Shares carrying in aggregate more than 50% of the voting rights attached to all outstanding shares in the capital of the Corporation (other than an internal reorganization), or (b) the sale or other transfer of all or substantially all of the assets of the Corporation on a consolidated basis; but a Change of Control shall not include a sale, merger, reorganization, arrangement, combination or other similar transaction if the holders

of the Common Shares immediately prior to the completion of the transaction hold or have direction over at least 50% of the voting control or direction in such merged, reorganized, arranged, combined or other continuing entity (and in the case of a sale of all or substantially all of the assets, in the entity that has acquired such assets) immediately following the completion of such transaction.

During the period beginning 10 trading days before the anticipated date on which the Cash Change of Control becomes effective (the “**Effective Date**”) and ending 30 days after the Corporation delivers to Computershare Trust Company of Canada (or its successor) notice of the Change of Control along with the Offer to Purchase (the “**Cash Change of Control Conversion Period**”), Holders will be entitled to convert their Convertible Debentures, in whole or in part, to Common Shares at a new conversion price (the “**Cash Change of Control Conversion Price**”), which shall be calculated in accordance with the following formula:

$CCOCCP = OCP / (1 + (CP \times (c/t)))$, where:

CCOCCP is the Cash Change of Control Conversion Price;

OCP = the Conversion Price in effect on the Effective Date;

CP = 35%

c = the number of days, if any, from and including the Effective Date to, but excluding the Redemption Date; and

t = the number of days from and including the debenture issuance date to, but excluding the Redemption Date.

In the event that the Cash Change of Control Conversion Price calculated in accordance with the formula above is less than any regulatory permitted discount to market price, the Cash Change of Control Conversion Price shall be deemed to be that implied by the maximum permitted discount to market price.

Notwithstanding the foregoing, if the conversion date of any Convertible Debentures occurs during the period beginning on the tenth trading day prior to the Effective Date and ending at the close of business on the Effective Date, the Holders of such Convertible Debentures shall, on conversion of their Convertible Debentures, only be entitled to receive that number of Common Shares resulting from the Cash Change of Control Conversion Price in excess of the number of Common Shares to which they would otherwise have been entitled to receive (the “**Base Shares**”) at the conversion price that would then have been in effect but for the Cash Change of Control (such excess number of Common Shares being the “**Make-Whole Premium Shares**”) on the business day immediately following the Effective Date and, for greater certainty, only if the Change of Control occurs. The Base Shares shall be issued in accordance with the terms of the Indenture applicable to a conversion of Convertible Debentures otherwise than during the Cash Change of Control Conversion Period, including at the then applicable conversion price.

The Make-Whole Premium Shares shall be deemed to have been issued upon conversion of Convertible Debentures on the business day immediately following the Effective Date. Adjustment provisions in the Indenture shall apply to such conversion and, for greater certainty, the former Holders of Convertible Debentures in respect of which the Make-Whole Premium Shares are issuable shall, in the case of a Capital Reorganization (as defined in the Indenture), be entitled to receive and shall accept, in lieu of the Make-Whole Premium Shares, the number of shares or other securities or property of the Corporation or of the person or other entity resulting from the transaction that constitutes the Cash Change of Control that such Holders would have been entitled to receive if such Holders had been the registered holders of the applicable number of Make-Whole Premium Shares on the Effective Date.

The following table provides an illustrative example of two scenarios where the conversion of the Convertible Debentures takes place within ten trading days prior to the Effective Date (contrasting the effects of a Cash Change of Control prior to, and after, the Redemption Date):

Effective Date	OCP	CP	c	t ⁽¹⁾	CCOCCP	CCOCCP Shares	Base Shares	Make-Whole Premium Shares
June 15, 2024	0.485	0.35	520	1096	0.416	60,827,376	52,164,948	8,662,428
June 15, 2026	0.485	0.35	210	1096	0.455	55,663,236	52,164,948	3,498,288

(1) Assuming debenture issuance date of November 17, 2022 and therefore a Redemption Date of November 17, 2025, being the date that is 48 months prior to a Maturity Date of November 17, 2027.

Disinterested Shareholder Approval of the Offering

The Corporation has received conditional approval of the TSX to list the Common Shares, Convertible Debentures, and the Common Shares issuable upon conversion of the Convertible Debentures on the TSX subject to fulfillment of a number of customary conditions and the requirement that the Corporation obtain Disinterested Shareholder Approval for the Private Placement Resolution, the full text of which is set forth in Appendix A to this Circular.

Under Sections 607(e), 607(g)(i), 607(g)(ii) and 611(g) of the TSX Manual, the TSX requires Disinterested Shareholder Approval of the Private Placement Resolution because the Offering:

- a. will result in the issuance of an aggregate number of Common Shares (assuming the conversion in full of the Convertible Debentures) which exceeds 25% of the number of Common Shares currently outstanding on a non-diluted basis;
- b. will result in the issuance of an aggregate number of Common Shares (assuming the conversion in full of the Convertible Debentures) to Participating Insiders which exceeds 10% of the number of Common Shares currently outstanding on a non-diluted basis;
- c. the Common Shares underlying the Convertible Debentures are considered to be issuable at a price per Common Share that is less than the market price pursuant to Section 607(f)(iii) of the TSX Manual as the conversion price is not defined in the Convertible Debenture to be at least the market price at the time of conversion; and
- d. the Offering was priced at a point in time when there was material information not yet publicly disclosed.

Disinterested Shareholder Approval requires that the Private Placement Resolution must be passed by the holders of a majority of the Common Shares represented in person or by proxy at the Meeting, excluding the Common Shares held by the Excluded Shareholders.

If Disinterested Shareholder Approval is not received, the Offering will not be completed and the Transaction contemplated by the Purchase Agreement will not be completed. The full subscription price of each Common Shares Subscription Receipt and Convertible Debenture Subscription Receipt issued, together with the pro rata portion of the interest, if any, less applicable withholding taxes for such Common Share Subscription Receipts and Convertible Debentures Subscription Receipts, will be returned to holders thereof.

Recommendation of the Board

The board of directors of the Corporation (the “**Board**”) recommends that the Shareholders vote FOR the Private Placement Resolution approving the Offering for the reasons set forth in “Reasons for Recommendation of the Board”.

Proxies received in favour of management will be voted in favour of the Private Placement Resolution, unless the Shareholder has specified in the proxy that his, her or its Common Shares are to be

voted against the Private Placement Resolution.

Reasons for Recommendation of the Board

In making its recommendation that Shareholders vote FOR the Private Placement Resolution approving the Offering, the Board carefully considered a number of factors, including those listed below. The Board based its recommendation upon the totality of the information presented to and considered by it in light of its knowledge of the business, financial condition and prospects of the Corporation, after having undertaken a thorough review of, and having carefully considered the terms of the Offering.

In approving the Offering, and in making its recommendation that the Disinterested Shareholders approve the Private Placement Resolution, the disinterested directors (excluding Messrs. Bregman and Pelton who are Participating Shareholders) carefully considered a number of factors including but not limited to:

- a. the Offering is required by the Corporation in order to complete the Transaction, permitting the Corporation to acquire the Purchased Assets (as defined in the Purchase Agreement) and realize its previously announced strategic objective of becoming a consolidator of leading brands in the food and beverage industry;
- b. the Offering was considered and approved by the disinterested directors of the Corporation;
- c. the historical market prices and trading information with respect to the Common Shares;
- d. the 5 day volume-weighted average trading price of the Common Shares prior to the date of the announcement of the Transaction and the Offering was \$0.39;
- e. the terms of the offering were negotiated with and agreed upon by the Agents, arm's-length parties to the Corporation;
- f. the strong participation by existing Shareholders demonstrating their support for, and endorsement of, the Transaction and the Corporation's growth strategy; and
- g. the Transaction expenses and the Corporation's working capital needs.

The disinterested members of the Board believe that any possible dilution to existing Shareholders or any other possible adverse effects or risks of the Offering are more than outweighed by the potential benefits of the Offering and the use of the net proceeds thereof to fund the Purchase Price and for general working capital purposes.

The foregoing discussion of the information and factors considered by the Board is not intended to be exhaustive but is believed to include the material factors considered by the Board. In view of the wide variety of factors considered by the Board, the Board did not find it practical to, nor did it attempt to, quantify or otherwise assign relative weight to the specific factors it considered in reaching its decision. Furthermore, individual members of the Board may have given different weight to different factors. The Board considered this information and these factors as a whole, and as a result, found the relevant information and factors to be favourable to, and in support of, its determinations and recommendation.

MI 61-101 Considerations

Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“MI 61-101”) imposes certain requirements for formal valuation and the approval of disinterested shareholders (a vote of the majority of the minority) in connection with “business combinations” and “related party transactions” (as such terms are defined in MI 61-101). The Transaction is not a “business combination” or a “related party transaction”.

The participation by the Participating Insiders in the Offering is a “related party transaction” within

the meaning of MI 61-101. The Offering is exempt from the formal valuation requirements of MI 61-101 pursuant to Section 5.5(c) of MI 61-101 as the Offering involves a distribution of Common Shares of the Corporation for cash consideration which distribution will only occur when the Escrow Release Conditions are achieved. The Participating Insiders acquired Common Share Subscription Receipts and/or Convertible Debenture Subscription Receipts concurrent with the execution of the Purchase Agreement and the announcement of the Transaction. Neither the Corporation or any of the Participating Insiders has knowledge of any material information that has not been generally disclosed and this Circular includes a description of the effect of the distribution of the Common Shares to the Participating Insiders (issuable only upon the fulfillment of the Escrow Release Conditions) on their direct and indirect voting interest in the Corporation.

The Offering will require the Corporation to obtain minority approval for the Participating Insider's participation in the Offering pursuant to Section 5.6 of MI 61-101 which will be achieved through the Disinterested Shareholder Approval which will exclude not only the votes of the Participating Insiders but the votes of all Excluded Shareholders.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditor of the Corporation is Baker Tilly WM LLP, Chartered Professional Accountants. The transfer agent and registrar for the Common Shares is Computershare Investor Services Inc., 100 University Avenue, Toronto, Ontario.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS AND MATTERS TO BE ACTED UPON AT THE MEETING

Except as disclosed elsewhere in this Circular, no director or executive officer of the Corporation and no person who beneficially owns, or controls or directs, directly or indirectly, more than 10% of the outstanding Common Shares (collectively, an "Informed Person") and no associate or affiliate of any Informed Person, had any material interest, direct or indirect, in any transaction since the commencement of the Corporation's last financial year or in any proposed transaction that materially affects or would materially affect the Corporation, including any matter to be acted upon at the Meeting.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is included in its 2021 annual information form, its audited consolidated financial statements for the year ended December 26, 2021 and the related management's discussion and analysis. Copies of these documents may be obtained from the SEDAR website at www.sedar.com, or upon request from the Chief Financial Officer of the Corporation: 210 Shields Court, Markham, Ontario L3R 8V2 (telephone 437-747-4334 or email investors@aegisbrands.ca). Financial information is provided in the Corporation's consolidated financial statements and management's discussion and analysis for the year ended December 26, 2021.

SHAREHOLDER PROPOSALS

Shareholders who comply with the applicable provisions of the *Business Corporations Act* (Ontario) are, subject to certain conditions in the *Business Corporations Act* (Ontario), entitled to have the Corporation include in its management proxy circular any matter that the person proposes to raise at an annual meeting. Any Shareholder who intends to make such a proposal to be considered by the Corporation for the 2023 annual meeting must arrange for the Corporation to receive the proposal at its administrative office, located at 210 Shields Court, Markham, Ontario, L3R 8V2, no later than March 6, 2023.

OTHER BUSINESS

Management is not aware of any amendments or variations to matters identified in the notice of the Meeting or of any other matters that are to be presented for action at the Meeting, other than those described

in the Notice of Meeting. If any amendment, variation or other business is properly brought before the Meeting, the enclosed form of proxy and voting instruction form confers discretion on the persons named on the form of proxy or voting instruction form to vote on such matters.

APPROVAL OF CIRCULAR

The contents and sending of this Circular have been approved by the Directors of the Corporation and a copy of the Circular has been sent to each Director, the auditor of the Corporation and each Shareholder entitled to notice of the Meeting.

DATED at Mississauga, Ontario, this 17th day of October, 2022.

BY ORDER OF THE DIRECTORS

Michael Bregman
Chair of the Board of Directors

APPENDIX A

PRIVATE PLACEMENT RESOLUTION

BE IT RESOLVED that:

1. the issuance by the Corporation on a private placement basis of: (a) up to 10,648,148 Common Shares issuable to the holders of subscription receipts for Common Shares (the “**Common Share Subscription Receipts**”) at a price of \$0.324 per Common Share Subscription Receipt; (b) up to 25,300 subscription receipts (the “**Convertible Debenture Subscription Receipts**”) for Convertible Debentures (as defined below) at a price of \$1,000 per Convertible Debenture Subscription Receipt; (c) up to 10,648,148 Common Shares to the holders of Common Share Subscription Receipts upon the fulfillment of the escrow release conditions attached thereto; (d) up to \$25,300,000 principal amount of 11% unsecured, subordinated convertible debentures of the Corporation (the “**Convertible Debentures**”) issuable to the holders of the Convertible Debenture Subscription Receipts upon the fulfillment of the escrow release conditions attached thereto; and (e) up to 52,164,948 Common Shares issuable to the holders of Convertible Debentures upon the conversion in full of the Convertible Debentures at a conversion price of \$0.485 be and is hereby approved and authorized;
2. any officer or director (each an “**Authorized Signatory**”) be and is hereby authorized and directed for and on behalf of the Corporation to execute or cause to be executed, under the corporate seal of the Corporation or otherwise, and to deliver or cause to be delivered all such other documents and instruments and to perform or cause to be performed all such other acts and things as such Authorized Signatories determine may be necessary or desirable to give full effect to the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document or instrument or the doing of any such act or thing; and
3. these approvals are given for all purposes under the TSX Company Manual, including Sections 607(e), 607(g)(i), 607(g)(ii) and 611(g) and pursuant to Section 5.6 of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*.

