

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): **November 13, 2022**

CRONOS GROUP INC.

(Exact name of registrant as specified in its charter)

British Columbia, Canada

(State or other jurisdiction
of incorporation)

**111 Peter Street, Suite 300
Toronto, Ontario**

(Address of principal executive offices)

001-38403

(Commission
File Number)

N/A

(I.R.S. Employer
Identification No.)

M5V 2H1

(Zip Code)

Registrant's telephone number, including area code: **(416) 504-0004**

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Shares, no par value	CRON	The NASDAQ Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers

Effective as of November 14, 2022 (the “Effective Date”), Robert Madore will no longer serve as Chief Financial Officer of Cronos Group Inc. (the “Company”) and ceased to be employed by the Company and Cronos USA Client Services LLC (“Cronos USA”). In accordance with the terms and conditions of his employment agreement and outstanding equity award agreements, Mr. Madore will be entitled to a severance payment in an amount equal to one year of his annual base salary, employee benefit continuation for up to one year following the Effective Date, and a pro-rated annual bonus for the 2022 fiscal year. Additionally, 37,500 outstanding restricted stock units (“RSUs”) and 450,000 unvested stock options held by Mr. Madore will vest as of the Effective Date, in each case subject to Mr. Madore entering into a customary release of claims in favor of the Company and its affiliates and related entities.

Also, effective as of the Effective Date, the Company has appointed James Holm as Chief Financial Officer of the Company.

Mr. Holm joined the Company from Vertiv, where he most recently served as Global Vice President of Finance Transformation. Previously, he served as Americas Controller from September 2018 to February 2022. Prior to his roles at Vertiv, Mr. Holm served as Worldpay’s Finance Leader, Finance Solutions & Process Transformation Organization from May 2016 to September 2018. Before that, he served at Procter & Gamble in a variety of finance roles from September 2008 to March 2016. Mr. Holm is a Certified Public Accountant and Chartered Global Management Accountant who previously worked as an external auditor for PricewaterhouseCoopers where he worked on various public client engagements, some of which included Fortune 500 companies. He holds a Master of Business Administration with a Finance concentration and Bachelor of Science in Business in Accounting and Finance, both from Wright State University.

Holm Employment Agreement

In connection with Mr. Holm’s appointment, Cronos USA, the Company and Mr. Holm entered into an executive employment agreement (the “Holm Employment Agreement”) on the Effective Date, setting forth the terms and conditions of Mr. Holm’s employment. Pursuant to the Holm Employment Agreement, Mr. Holm will receive an annual base salary of \$385,000 and will be eligible for an annual target bonus opportunity of 115% of annual base salary. Starting in the 2023 fiscal year, he will be eligible to receive annual grants of equity-based awards with an initial target incentive opportunity of \$577,500. Additionally, Mr. Holm will receive an initial one-time grant of \$250,000 in stock options and \$50,000 in RSUs, as well as a cash signing bonus of \$250,000. Mr. Holm will also be eligible to participate in employee benefit programs of Cronos USA on the same terms as other similarly situated employees.

In the event Mr. Holm’s employment is terminated by Cronos USA without Just Cause or he resigns for Good Reason (each, as defined in Mr. Holm’s employment agreement), he would be entitled to a severance payment in the amount of his annual base salary, employee benefit continuation for up to one year following termination, and a pro-rated annual bonus for the year of termination, subject to Mr. Holm entering into a release of claims in favor of the Company and its affiliates and related entities. Upon termination of his employment for any reason, Mr. Holm is subject to ongoing confidentiality and mutual non-disparagement provisions, non-competition and customer non-solicitation covenants for the one-year period following termination and an employee non-solicitation covenant for the two-year period following termination.

The foregoing description of the Holm Employment Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Holm Employment Agreement, which is attached hereto as Exhibit 10.1 and incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
10.1	Holm Employment Agreement, dated November 14, 2022, among Cronos USA, the Company and Mr. Holm.
104	Cover Page Interactive Data File

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CRONOS GROUP INC.

Dated: November 14, 2022

By: /s/ Michael Gorenstein
Name: Michael Gorenstein
Title: President & Chief Executive Officer

EXECUTIVE EMPLOYMENT AGREEMENT

(this "Agreement")

BETWEEN:

CRONOS USA CLIENT SERVICES LLC

(the "Company")

- and -

JAMES HOLM

(the "Executive")

- and -

solely for the purposes specified herein,

CRONOS GROUP INC.

("Cronos Group")

WHEREAS the Company is a wholly owned subsidiary of Cronos Group;

WHEREAS the Company wishes to engage the services of the Executive in the position of Chief Financial Officer of Cronos Group;

WHEREAS the Executive will have extensive access to the customers, vendors, suppliers, distribution processes and other unique and valuable confidential information and trade secrets of the Company, Cronos Group and their respective affiliates (excluding Altria Group, Inc. and its subsidiaries) and related entities (together, the "Group");

WHEREAS the Company and the Executive desire to enter into a written employment agreement;

AND WHEREAS the Executive acknowledges that this Agreement, including, without limitation, the proprietary rights, confidentiality, non-solicitation and non-competition provisions that form part of this Agreement are essential to protect the legitimate business interests of the Group;

NOW THEREFORE in consideration of the foregoing, the mutual covenants and agreements contained in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and the Executive, and solely for the purposes specified herein, Cronos Group (together, the "Parties"), agree as follows:

1. Position

- 1.1 The Executive shall be employed in the position of Chief Financial Officer, commencing on November 14, 2022, or such other date as agreed between the Executive and the Company in
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writing, email being sufficient (the actual date on which the Executive commences employment with the Company, the “Effective Date”).

2. Location

- 2.1 The Executive shall be based primarily from the Executive’s home office. During the term of the Executive’s employment with the Company, the Executive’s principal place of residence shall remain in the United States. The Executive shall be available for business travel as reasonably required to perform the Executive’s duties hereunder.

3. Work Authorizations

- 3.1 It is a condition of this Agreement and the Executive’s employment that the Executive shall be able to work lawfully in the United States. However, it is understood and agreed that the Executive’s position may require that the Executive work abroad, as needed by the Group. The Executive’s employment with the Company is therefore also conditional upon the securing of all necessary visas, work permits and other authorizations that may be required to enter and/or work in any of the countries in which the Executive may be assigned to work or visit during the term of employment. The Company shall provide reasonable assistance in respect of immigration matters. Despite such assistance, the Company cannot guarantee when or whether the Executive’s application for a work permit, visa, permanent residence status or other immigration status or documents will be approved. At any time, should necessary authorizations that permit the Executive to legally work in the United States or in any other jurisdiction in which the Executive will be required to work or visit not be obtained or expire without the possibility of renewal, the Executive’s employment shall come to an end and shall be treated by the Company as a termination without Just Cause (as defined below); provided, that if such authorization expires without the possibility of renewal due to any action or inaction by the Executive, the Executive’s employment shall come to an end and shall be treated by the Company as a termination with Just Cause.

4. Employment Duties

- 4.1 The Executive shall perform such duties and exercise such powers as are normally associated with or incidental and ancillary to the Executive’s position and as may be assigned to the Executive from time to time. In fulfilling the Executive’s duties to the Company, the Executive shall be instructed by and shall regularly report to the Chief Executive Officer of Cronos Group (the “CEO”). The Executive’s duties, hours of work, location of employment and reporting relationships may be adjusted from time to time by the Company to meet changing business and operational needs. Without limiting the foregoing, the Executive shall:
- (a) devote the Executive’s full working time and attention during normal business hours and such other times as may be reasonably required to the business and affairs of the Group and shall not, without the prior written consent of the CEO, undertake any other business (including any position on a board of any for profit, public benefit, nonprofit or other entity) or occupation or public office;
 - (b) perform those duties that may be reasonably assigned to the Executive diligently, honestly, and faithfully to the best of the Executive’s ability and in the best interest of the Group;

- (c) abide by all Cronos Group policies, as instituted and amended from time to time, including, without limitation, the Cronos Group - Employee Handbook (United States);
- (d) use best efforts to promote the interests and goodwill of the Group and not knowingly do, or permit to be done, anything that may be prejudicial to the Group's interests, it being understood and agreed that the Executive is a fiduciary of Cronos Group and owes fiduciary obligations to Cronos Group that are not extinguished or limited by this Agreement; and
- (e) identify and immediately report to the CEO any gross misrepresentations or violations of any Cronos Group policy, including, without limitation, the Cronos Group – Employee Handbook (United States) or applicable law or stock exchange rule by Cronos Group or its management.

5. Compensation and Benefits

- 5.1 **Base Salary.** The Company shall pay the Executive an annual base salary of US\$385,000, less applicable deductions and withholdings (as in effect from time to time, "Base Salary"). The Base Salary shall be paid by direct deposit on a bi-weekly basis, in accordance with the Company's payroll practices (as may be amended from time to time by the Company in its sole discretion). Any changes to Base Salary shall be at the sole discretion of the Company. The Base Salary shall be subject to increases, but not decreases.
- 5.2 **Annual Performance Bonus.** Starting in the Group's 2023 fiscal year, the Executive shall be eligible to participate in the Group's annual cash bonus plan as may be in effect from time to time, and to receive an annual bonus, subject to the terms and conditions of that plan as determined by Cronos Group at its sole discretion. The Executive's annual target bonus opportunity shall initially be 115% of Base Salary, provided that the actual bonus amount, if any, shall be determined pursuant to the terms of the applicable Group annual bonus plan. For the avoidance of doubt, the Executive will not be eligible for an annual cash bonus in respect of the Group's 2022 fiscal year. The Company reserves the right to amend or terminate any annual bonus plan established or adopted at any time, without notice or further obligation. Subject to Section 6.3, the Executive must be actively employed by the Company on the applicable payment date to be eligible for any annual bonus, unless provided otherwise pursuant to the applicable annual cash bonus plan. For certainty, if the Executive's employment is terminated by the Company with or without Just Cause, or the Executive resigns or otherwise terminates employment for any reason, the Executive shall cease to be "actively employed" on the last day of employment as specified in the Company's or the Executive's written notice of termination, as applicable, shall not be considered "actively employed" during any period of notice, pay in lieu of notice, severance payment or similar amount, and shall not be entitled to an annual bonus (or any part thereof) or damages in lieu of the Executive's eligibility for a bonus, unless provided otherwise pursuant to Section 6.3 and/or the applicable annual cash bonus plan. There shall be no guarantee of a bonus in any given year.
- 5.3 **Long-Term Incentive Opportunity.**
- (a) Starting in the Group's 2023 fiscal year, the Executive shall be eligible to receive annual grants of equity-based awards over shares of Cronos Group with an initial target incentive opportunity of US\$577,500 (based on the grant date fair value of such awards), provided that the actual amount, if any, of the grants shall be determined by the board of directors of Cronos Group (the "Board") or the Compensation Committee of the Board,

as applicable, at its sole discretion. Any equity-based grants shall be governed by the terms and conditions of the equity award plan or any other applicable plan of Cronos Group and the applicable award agreement, except as expressly set forth herein. Such plan or plans may be amended from time to time at Cronos Group's sole discretion. In the event of the cessation of the Executive's employment for any reason, the Executive's entitlements in respect of any equity-based awards shall be governed by the terms and conditions of the applicable equity award plan, any other applicable plan and the applicable award agreement, except as expressly set forth herein. The Executive shall not be eligible for any further grants of equity-based awards following the effective date of termination or damages in lieu thereof, regardless of any applicable notice period, pay in lieu of notice, severance payment or similar amount.

- (b) In addition, as soon as reasonably practicable after the Effective Date, the Board shall grant the Executive a one-time grant of equity-based awards, comprised of (i) non-qualified stock options with a grant date fair value of US\$250,000, vesting ratably on a quarterly basis over a four-year period following the date of grant, and (ii) restricted share units with a grant date fair value of US\$50,000, vesting on the third anniversary of the grant date (together, the "Sign-On Awards"). The Sign-On Awards shall be subject to the terms and conditions set forth in Cronos Group's 2020 Omnibus Equity Incentive Plan and the applicable award agreements, in substantially the forms attached hereto as Exhibit A and Exhibit B.
- 5.4 **Group Insured Benefits.** The Executive shall be eligible to participate in the benefits programs of the Company or Cronos Group, as applicable, for health and dental, life insurance, disability and other benefits as may be available to employees of the Company from time to time, subject to the terms and conditions of the applicable plan document. The Company or the Group, as applicable, reserves the right to alter, amend or discontinue all benefits, coverages, plans and programs referred to in this Section 5.4, without advance notice or other obligation.
- 5.5 **Signing Bonus.** The Company shall provide the Executive with a one-time lump sum cash payment of US\$250,000 less applicable deductions and withholdings, payable within thirty days after the Effective Date (the "Signing Bonus"). If the Executive provides notice of resignation for any reason or the Company terminates the Executive's employment for Just Cause before the first anniversary of the Effective Date, the Executive shall be required to repay, within thirty days after the date on which the Executive's employment with the Company terminates, an amount equal to: the Signing Bonus, multiplied by a fraction where the numerator is twelve minus the number of completed months in which the Executive was employed by the Company, and the denominator is twelve.
- 5.6 **Vacation.** The Executive shall be eligible for four weeks' paid vacation per year, or for such greater length of time as may be consistent with the vacation policy of the Company for its senior executives. The Executive shall take vacation time at such times as are approved in advance by the Company in accordance with the policies of the Company. Vacation shall be accrued in accordance with the Company's vacation policy, as may be amended from time to time.
- 5.7 **Business Expenses.** The Executive shall be reimbursed for all reasonable travel and other out-of-pocket expenses properly incurred by the Executive from time to time in connection with performance of the Executive's duties and submitted for reimbursement in accordance with the following sentence of this Section 5.7. The Executive shall furnish to the Company all invoices or statements in respect of expenses for which the Executive seeks reimbursement in accordance

with the Company's policies or procedures for expense reimbursement, as may be amended from time to time.

- 5.8 **Clawback Policy; Share Ownership Guidelines.** The Executive agrees and acknowledges that any annual, long-term or other cash, equity or equity-based incentive or bonus compensation paid, provided or awarded to the Executive, including, notwithstanding anything to the contrary in such policy, the stock options and restricted share units awarded in connection with the Sign-On Awards, is subject to the terms and conditions of any clawback or recapture policy that Cronos Group may adopt from time to time, and may be subject to the requirement that such compensation be repaid to the Company after it has been distributed to the Executive. The Executive agrees and acknowledges that the Executive shall be subject to Cronos Group's share ownership guidelines for the Executive's position, as the same may be in effect or amended from time to time. As of the Effective Date, such guidelines require the Executive to achieve, within five years of the Effective Date and thereafter during the term of the Executive's employment with the Company, a level of ownership equal to two times Base Salary.

6. **Termination of Employment**

- 6.1 **Termination by the Executive.** The Executive may terminate the Executive's employment with the Company at any time by providing the Company with at least three months of notice in writing. If, upon receipt of the Executive's resignation (or any later date during such notice period), the Company terminates the Executive's employment before the date the resignation was to be effective, the Company shall, in full satisfaction of its obligations to the Executive: (a) pay the Executive's Base Salary and vacation pay accrued until the date the resignation was to be effective up to a maximum of three months; and (b) reimburse the outstanding expenses properly incurred by the Executive until the date the Executive's employment ceases and submitted for reimbursement pursuant to Section 5.7. In such circumstances the Executive shall be ineligible for any pro-rated bonus for the year of termination, and any entitlements in respect of any equity-based awards shall be governed by the terms and conditions of the applicable equity award plan, any other applicable plan and the applicable award agreement.
- 6.2 **Termination by the Company for Just Cause or on Death or Disability.** The Company may terminate the Executive's employment at any time for Just Cause without prior notice or in the event of the Executive's death or Disability (as defined below). On the termination of the Executive's employment for Just Cause or on the Executive's death or Disability, this Agreement and the Executive's employment shall terminate and the Company shall, in full satisfaction of its obligations to the Executive: (a) pay the Executive's Base Salary and vacation pay accrued until the date the Executive's employment ceases; and (b) reimburse the outstanding expenses properly incurred by the Executive until the date the Executive's employment ceases and submitted for reimbursement pursuant to Section 5.7. In such circumstances the Executive shall be ineligible for any pro-rated bonus for the year of termination, and any entitlements in respect of equity-based awards shall be governed by the terms and conditions of the applicable equity award plan, any other applicable plan and the applicable award agreement. For the purposes of this Agreement, (A) "Just Cause" means: (i) any act or omission constituting "just cause" for dismissal without notice under applicable law; (ii) the Executive's repeated failure or refusal to perform the Executive's principal duties and responsibilities after notice from the CEO or other officer of the Company; (iii) misappropriation of the funds or property of the Company; (iv) use of alcohol or drugs in violation of the Company's policies or in a manner that interferes with the Executive's obligations under this Agreement; (v) the indictment, arrest or conviction in a court of law for, or the entering of a plea of guilty or nolo contendere to, a summary or indictable offence or any crime involving moral turpitude, fraud, dishonesty or theft (subject to the

Company's obligations under applicable law); (vi) engaging in any act which is a violation of any law, regulation or Cronos Group policy, that, if violated, injures or could reasonably be expected to injure the reputation, business or business relationships of the Group; (vii) engaging in any act which is a violation of any Cronos Group policy with respect to sexual harassment, discrimination or similar or related policies; or (viii) any act which injures or could reasonably be expected to injure the reputation, business or business relationships of the Group, and (B) "Disability" means a physical or mental incapacity of the Executive that has prevented the Executive from performing the duties customarily assigned to the Executive for 180 calendar days, whether or not consecutive, out of any twelve consecutive months and that in the opinion of the Company, acting on the basis of advice from a duly qualified medical practitioner, is likely to continue to a similar degree.

- 6.3 Termination by the Company without Just Cause or Resignation for Good Reason. The Company may terminate the Executive's employment at any time without Just Cause, on providing thirty days' written notice to the Executive. The Executive may resign from the Executive's employment for Good Reason (as defined below) on providing thirty days' written notice to the Company. If (a) the Company terminates the Executive's employment without Just Cause, or (b) the Executive resigns from the Executive's employment for Good Reason, and in each case, if the Executive signs, delivers to the Company, and does not revoke a release in favor of the Group to the Company in the form attached as Exhibit C to this Agreement, the Company, shall, in full satisfaction of its obligations to the Executive:
- (a) pay the Executive's Base Salary and accrued but unpaid vacation pay in accordance with applicable legislation;
 - (b) reimburse the Executive's expenses properly incurred until the date the Executive's employment ceases and properly submitted in accordance with the Company's policies;
 - (c) pay the Executive a lump sum payment equal to the annual Base Salary, payable within sixty days following the Executive's date of termination;
 - (d) continue the Executive's group insured benefits at active employee rates under the Consolidated Omnibus Reconciliation Act of 1985, as amended, for one year following the Executive's date of termination or until the date on which the Executive obtains alternate benefit coverage, whichever occurs first, subject to the terms and conditions of the benefit plans, as amended from time to time. If the Company is unable for any reason to continue its contributions to the benefit plans as set out in this Agreement, it shall pay the Executive an amount equal to the Company's required contributions to such benefit plans on behalf of the Executive for such period. The Executive agrees that the Executive is required to notify the Company when the Executive obtains alternate life, medical and dental benefit coverage;
 - (e) subject to the terms and conditions of the Group's annual cash bonus plan in effect at such time, provide the Executive with an annual performance bonus in respect of the fiscal year in which the Executive's employment terminates. The annual bonus, if any, shall be (i) prorated based on the number of complete months of such fiscal year during which the Executive was actively employed up to the date of the Executive's termination of employment, and (ii) payable as a lump sum when annual bonuses in respect of the fiscal year are paid to other senior executives of the Company. Any assessment of the Company's and the Executive's year-to-date performances for purposes of determining the amount of the annual cash bonus, if any, shall be at the Company's sole discretion.

For the avoidance of doubt and notwithstanding anything to the contrary in the foregoing, if the Executive's employment terminates after the end of a fiscal year, but before the payment of any annual performance bonus in respect of such year, the Executive shall only be eligible for a performance bonus in respect of such completed fiscal year, and shall not be eligible for a prorated bonus in respect of any subsequent fiscal year(s); and

- (f) determine the Executive's entitlements in respect of equity-based awards in accordance with the terms and conditions of the applicable equity award plan, any other applicable plan and the applicable award agreement.

If the Executive does not sign and deliver to the Company the release in favor of the Group described above, or if the Executive revokes the foregoing release, the Company shall only provide the Executive with such compensation (including any Base Salary and accrued but unpaid vacation pay, termination pay, severance pay and expense reimbursements submitted in accordance with Section 5.7) and benefits that are expressly required pursuant to applicable law, if any.

In this Agreement, "Good Reason" means the occurrence of any of the following events without the Executive's consent, except in each case for any action not taken in bad faith and which is remedied by the Company within thirty days after a written notice thereof by the Executive (provided that such written notice must be received by the Company within sixty days of the Executive becoming aware of such condition):

- (aa) the assignment to the Executive of duties materially different than the duties assigned to the Executive hereunder;
- (bb) a material diminution in the Executive's title, status, seniority, responsibilities or authority and/or a requirement to report to any person other than the Company's CEO or the Chair of the Audit Committee of the Board;
- (cc) the relocation of the Executive's principal place of employment;
- (dd) a material reduction in the Executive's Base Salary, target bonus opportunity or target long-term incentive opportunity; or
- (ee) a material breach by the Company of the terms of this Agreement.

6.4 Resignation on Termination. The Executive agrees that upon any termination of employment with the Company for any reason the Executive shall immediately tender resignation from any position the Executive may hold as an officer or director of the Company and take all steps necessary to remove the Executive from any and all designated positions (a) under any applicable laws, including without limitation, the Cannabis Act (Canada) and the regulations thereunder, as the same may be amended from time to time, (b) with any subsidiary or affiliate of Cronos Group or (c) held by the Executive as a result of any Group member's contractual rights. If the Executive fails to comply with this obligation within three days of the Executive's termination or resignation, the Executive hereby irrevocably authorizes Cronos Group to appoint a person in the Executive's name and on the Executive's behalf to sign or execute any documents and/or do all things necessary or requisite to give effect to such resignation.

6.5 Compliance with Laws. The Executive understands and agrees that the entitlements under this Article 6 are provided in full satisfaction of the Executive's entitlements to notice of termination,

pay in lieu of notice, and severance pay, if any, under this Agreement, any employee benefit plan sponsored or maintained by the Group, applicable law (including the common law) or otherwise.

7. Restrictive Covenants

7.1 Non-Disclosure. The Executive acknowledges and agrees that:

- (a) during the term of the Executive's employment, the Executive may be given access to or may become acquainted with confidential and proprietary information of the Group and third parties to which the Group may have any obligations of non-disclosure or confidentiality, including without limitation: trade secrets; know-how; Intellectual Property (as defined below); Executive-Developed IP (as defined below), Development Records (as defined below), existing and contemplated work product resulting from or related to projects performed or to be performed by or for the Group; programs and program modules; processes; algorithms; design concepts; system designs; production data; test data; research and development information; information regarding the acquisition, protection, enforcement and licensing of proprietary rights; technology; joint ventures; business, accounting, engineering and financial information and data; marketing and development plans and methods of obtaining business; forecasts; future plans and strategies of the Group; pricing, cost, billing and fee arrangements and policies; quoting procedures; special methods and processes; lists and/or identities of customers, suppliers, vendors and contractors; the type, quantity and specifications of products and services purchased, leased, licensed or received by the Group and/or any of its customers, suppliers, or vendors; internal personnel and financial information; business and/or personal information about any senior staff members of the Group or any individual, corporation (including not-for-profit), general or limited partnership, limited liability company, joint venture, association, joint-stock company, estate, trust, organization, governmental authority or other entity of any kind or nature ("Person") with which the Group enters a strategic alliance or any other partnering arrangements; vendor and supplier information; the manner and method of conducting the Group's business; the identity or nature of relationship of any Persons associated with or engaged as consultants, advisers, agents, distributors or sales representatives (the "Confidential Information") the disclosure of any of which to competitors of the Group or to the general public, or the use of same by the Executive or any competitor of the Group, would be highly detrimental to the interests of the Group;
- (b) disclosure or use of Confidential Information, other than in connection with the Group's business or as specifically authorized by the Group, will be highly detrimental to the business and interests of the Group and could result in serious loss of business and damage to it. Accordingly, the Executive specifically agrees to hold all Confidential Information in strictest confidence, and the Executive agrees that the Executive shall not, without the Company's prior written consent, disclose, divulge or reveal to any Person, or use for any purpose other than for the exclusive benefit of the Company, any Confidential Information, in whatever form contained; provided that the foregoing shall not apply to information (except for personal information about identifiable individuals) that: (i) was known to the public prior to its disclosure to the Executive; (ii) becomes generally known to the public subsequent to disclosure to the Executive other than by reason of the Executive's breach of this Section; (iii) becomes available to the Executive from a source independent of the Group; or (iv) the Executive is specifically required to disclose by applicable law or legal process (provided that, to the extent legally permissible, the Executive provides the Company with prompt advance written notice of the contemplated

disclosure and cooperates with the Company in seeking a protective order or other appropriate protection of such information); and

- (c) the Executive shall deliver to the Company, immediately upon termination of employment (for any reason and regardless of whether the Executive or the Company terminate the employment) or at any time the Company so requests: (i) any and all documents, files, notes, memoranda, models, databases, computer files and/or other computer programs reflecting any Confidential Information whatsoever or otherwise relating to the Group's business; (ii) lists or other documents regarding customers, suppliers, or vendors of the Group or leads or referrals to prospective business deals; and (iii) any computer equipment, home office equipment, automobile or other business equipment belonging to the Company that the Executive may then possess or have under the Executive's control.
- (d) 18 U.S.C. § 1833(b) provides: "An individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that (A) is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal." Nothing in this Agreement is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by 18 U.S.C. § 1833(b). Accordingly, the Executive has the right to disclose in confidence trade secrets to federal, state, and local government officials, or to an attorney, for the sole purpose of reporting or investigating a suspected violation of law. The Executive also has the right to disclose trade secrets in a document filed in a lawsuit or other proceeding, but only if the filing is made under seal and protected from public disclosure. Without limiting the foregoing, no confidentiality or other obligation the Executive owes to the Group prohibits the Executive from reporting possible violations of law or regulation to any governmental authority or entity under any applicable whistleblower protection provision of applicable Canadian, U.S. Federal or U.S. State law or regulation (including, without limitation Section 21F of the Securities Exchange Act of 1934 or Section 806 of the Sarbanes-Oxley Act of 2002) or requires the Executive to notify the Company of any such report.

7.2 Intellectual Property

- (a) In this Section 7.2, the term "Germplasm" means any living or preserved biological tissue or material which may be used for the purpose of plant breeding and/or propagation, including, without limitation, plants, cuttings, seeds, clones, cells, tissues, plant materials and genetic materials (including, without limitation, nucleic acids, genes, promoters, reading frames, regulatory sequences, terminators, chromosomes whether artificial or natural and vectors).
- (b) For the purposes of this Agreement, "Intellectual Property" means any and all intellectual property rights and proprietary rights existing in any jurisdiction throughout the world, including any rights in or to: (i) patents, patent applications, patent rights, inventions, industrial designs, industrial design applications, industrial design rights, ideas, discoveries and invention disclosures (whether or not patentable), and any divisionals, continuations, continuations-in-part, reissues, renewals, reexaminations and extensions of any of the foregoing; (ii) trademarks, service marks, trade names, trade dress, logos, packaging designs, slogans, other indicia of source, Internet domain names

and URLs, and registrations and applications for registration of any of the foregoing and any renewals thereof, together with any goodwill symbolized thereby; (iii) copyrightable works (including with respect to software and compilations of data), whether published or unpublished, including all copyrights, copyright registrations and applications; (iv) trade secrets, and confidential or proprietary information, data or database rights, know-how, techniques, designs, processes, recipes and formulas; (v) Germplasm, plant varieties, and applications and registrations for plant varieties issued by or pending before any Governmental Authority, including under the Plant Variety Protection Act (United States) or the Plant Breeders' Rights Act (Canada); and (vi) circuit topographies, database rights and software.

- (c) The Executive agrees to promptly disclose to the Company (including, without limitation, to the CEO) all Intellectual Property, including, but without limitation, with respect to Germplasm, and whether or not any of the foregoing are registrable, which the Executive may author, make, conceive, develop, discover or reduce to practice, solely, jointly or in common with other employees, during the Executive's employment with the Company, and which relate to the business activities of the Group ("Executive-Developed IP"). Intellectual Property coming within the scope of the business of the Company made and/or developed by the Executive while in the employ of the Company, whether or not conceived or made during regular working hours and whether or not the Executive is specifically instructed to make or develop the same, shall be for the benefit of the Company and shall be considered to have been made pursuant to this Agreement and shall be deemed Executive-Developed IP and shall immediately become exclusive property of the Company.
- (d) The Executive further acknowledges that all Executive-Developed IP is "work made for hire" (to the greatest extent permitted by applicable law), "made in the course of employment" and owned exclusively by the Company and that the Executive has been compensated for such Executive-Developed IP by the Executive's salary, commissions and other benefits, unless regulated otherwise by law. To the extent such Executive-Developed IP is not "work made for hire", "made in the course of employment" or otherwise not owned automatically and exclusively by the Company as a matter of law, then to the greatest extent permitted under by applicable law, the Executive hereby irrevocably assigns and transfers, and shall assign and transfer, to the Company, the Executive's entire right, title and interest in and to any and all Executive-Developed IP, and the Executive agrees to execute and deliver to the Company any and all instruments necessary or desirable to accomplish the foregoing and, in addition, to do all lawful acts which may be necessary or desirable to assist the Company to obtain and enforce protection of Executive-Developed IP. If and to the extent the foregoing assignment cannot be effected as a matter of law with respect to any Executive-Developed IP, the Executive hereby grants to the Company an exclusive, perpetual, fully-paid, royalty-free, irrevocable, worldwide, fully-transferable, fully sublicensable (on multiple levels) license to use, modify, display, perform, make, have made, copy, make derivative works, import, export, distribute and otherwise exploit such Executive-Developed IP for any purpose.
- (e) The Executive must keep, maintain and make available to the Company complete and up-to-date records relating to any Executive-Developed IP, and agree that all such records are the sole and absolute property of the Company. For greater certainty, all materials related to Executive-Developed IP (including, without limitation, notes, records and correspondence, whether written or electronic) (collectively, "Development Records") are the property of the Company, which the Executive shall provide to the Company

upon request. Development Records shall not be removed from Company premises without the prior written consent of the Company. The Executive agrees to maintain as confidential any Executive-Developed IP and Development Records unless and until made generally public by the Company, and not to make application for registration of rights in respect of any Executive-Developed IP unless it is at the request and direction of the Company.

- (f) The Executive shall, at the request and cost of the Company, and for no additional compensation or consideration from the Company, sign, execute, make and do all such deeds, documents, acts and things as the Company and its duly authorized agents may reasonably require: (i) to apply for, obtain and vest in the name of the Company alone (unless the Company otherwise directs) registered rights in any Executive-Developed IP, including any patents, industrial designs, letters patent, copyrights, plant breeders' rights, trademarks, service marks or other analogous protection in any country throughout the world and when so obtained or vested to renew and restore the same; (ii) to perfect or evidence ownership by the Company or its designees of any and all Executive-Developed IP, in form suitable for recordation in the United States, Canada and any other intellectual property office anywhere in the world; (iii) to defend any opposition proceedings of any type whatsoever in respect of such applications, and any opposition proceedings or petitions or applications of any type whatsoever for revocation of such Executive-Developed IP, whether such proceedings are brought before a court or any administrative body; (iv) to defend and/or assert the Group's rights in any Intellectual Property against any third party; and (v) to assert the Executive's moral rights in any Intellectual Property against any third party. The Executive further waives all moral rights in and to any Executive-Developed IP and all work the Executive produced during the course of the Executive's employment in favor of the Company, its licensees, successors and assigns, and transferees of the Executive-Developed IP and such work.
- (g) If, in the course of performing duties pursuant to this Agreement, the Executive uses any Germplasm, the Executive shall only use Germplasm provided by the Company, and the Executive agrees that any such Germplasm provided by the Company remains the sole property of the Company and that such Germplasm shall not be removed from Company premises without the prior written consent of the Company.
- (h) The Executive represents and warrants that the Executive does not possess any Intellectual Property or Germplasm of any third party, including, without limitation, any prior employer or competitor of the Group, and the Executive shall not acquire and/or use Intellectual Property or Germplasm of any third party in the course of performing duties pursuant to this Agreement and shall not bring any Germplasm of any third party onto Company premises.

7.3 **Non-Competition.** The Executive shall not at any time during the Executive's employment with the Company and for a period of one year following the termination of the Executive's employment with the Company for any reason, either individually or in partnership or jointly or in conjunction with any Person as principal, agent, consultant, employee, partner, director, shareholder (other than an investment of less than five percent of the shares of a company traded on a registered stock exchange or traded in the over the counter market in the United States or Canada), or in any other capacity whatsoever:

- (a) engage in employment or enter into a contract to do work related to the research into, development, cultivation, production, supply, sales or marketing of cannabis or cannabis

derived products; or the development or provision of any services (including, without limitation, technical and product support, or consultancy or customer services) which relate to cannabis or cannabis derived products (the “Business”);

- (b) have any financial or other interest (including by way of royalty or other compensation arrangements) in or in respect of the business of any Person which carries on the Business in any respect; or
- (c) advise, lend money to or guarantee the debts or obligations of any Person which carries on the Business in any respect;

anywhere within Canada and/or the United States of America.

For purposes of this section, “cannabis” means (a) any plant or seed, whether live or dead, from any species or subspecies of genus *Cannabis*, including *Cannabis sativa*, *Cannabis indica* and *Cannabis ruderalis*, marijuana (which has the meaning ascribed to such term under applicable law, including the Controlled Substances Act) and industrial hemp (which has the meaning ascribed to such term and the term “hemp” under applicable law, including the Industrial Hemp Regulations (Canada) issued under the Cannabis Act and under the Agricultural Marketing Act of 1946) and any part, whether live or dead, of the plant or seed thereof, including any stalk, branch, root, leaf, flower, or trichome; (b) any material obtained, extracted, isolated, or purified from the plant or seed or the parts contemplated by clause (a) of this definition, including any oil, cannabinoid, terpene, genetic material or any combination thereof; (c) any organism engineered to biosynthetically produce the material contemplated by clause (b) of this definition, including any micro-organism engineered for such purpose; (d) any biologically or chemically synthesized version of the material contemplated by clause (b) of this definition or any analog thereof, including any product made by any organism contemplated by clause (c) of this definition; and (e) any other meaning ascribed to the term “cannabis” under applicable law, including the Controlled Drugs and Substances Act and the Cannabis Act.

- 7.4 **Non-Solicitation of Customers.** The Executive shall not, during the Executive’s employment and for the one year period immediately following the termination of the Executive’s employment for any reason, whether alone or for or in conjunction with any Person, whether as an employee, partner, director, principal, agent, consultant or in any other capacity whatsoever, directly or indirectly solicit or attempt to solicit any Customer or Prospective Customer for the purpose of obtaining the business of any Customer or Prospective Customer or persuading any such Customer or Prospective Customer to cease to do business with or reduce the amount of business it would otherwise provide to the Group. For the purpose of this Agreement, “Customer” means any Person which is a current customer or has been a customer of the Group during the term of the Executive’s employment with the Company but in the event of the cessation of the Executive’s employment “Customer” shall include only those current customers of the Group with whom the Executive had direct contact or access to Confidential Information by virtue of the Executive’s role as an employee of the Company at any time during the twelve month period preceding the date of the cessation of the Executive’s employment; “direct contact” means direct communications with or by the Executive, whether in person or otherwise, for purposes of servicing, selling, or marketing on behalf of the Company, but only if such communications are more than trivial in nature, and in any case excluding bulk or mass marketing communications directed to multiple customers; and, “Prospective Customer” means any Person has been actively contacted and solicited for its business by representatives of the Group, but in the event of the cessation of the Executive’s employment, shall include only those Persons

- contacted with the involvement and knowledge of the Executive within the twelve month period immediately preceding the date of the cessation of the Executive's employment.
- 7.5 **Non-Solicitation of Employees.** The Executive shall not, during the Executive's employment and for two years following the termination of the Executive's employment for any reason, whether alone or for or in conjunction with any Person, whether as an employee, partner, director, principal, agent, consultant or in any other capacity whatsoever, directly or indirectly solicit or assist in the solicitation of any employee of the Group to leave such employment.
- 7.6 **Disclosure.** During the Executive's employment with the Company, the Executive shall promptly disclose to the Board full information concerning any interest, direct or indirect, of the Executive (whether as owner, shareholder, partner, lender or other investor, director, officer, employee, consultant or otherwise) or any member of the Executive's immediate family, in any business which is reasonably known to the Executive to purchase or otherwise obtain services or products from, or to sell or otherwise provide services or products to the Group or to any of their respective suppliers or Customers.
- 7.7 **Other Employment.** During the Executive's employment with the Company, the Executive shall not, except as a representative of the Company or with the prior written approval of the CEO, whether paid or unpaid, be directly or indirectly engaged, concerned or have any financial interest in any capacity in any other business, trade, professional or occupation (or the setting up of any business, trade, profession or occupation).
- 7.8 **Return of Materials.** All files, forms, brochures, books, materials, written correspondence (including email and instant messages), memoranda, documents, manuals, computer disks, software products and lists (including financial and other information and lists of customers, suppliers, products and prices) pertaining to the Group which may come into the Executive's possession or control shall at all times remain the property of the Group as applicable. Upon termination of the Executive's employment for any reason, the Executive agrees to immediately deliver to the Company all such property in the Executive's possession or directly or indirectly under the Executive's control. The Executive agrees not to make, for the Executive's personal or business use or that of any other person, reproductions or copies of any such property or other property of the Group.
- 7.9 **Non-Disparagement.** Subject to Section 7.1(d), the Executive shall refrain, both during and after the cessation of the Executive's employment with the Company, from making, publicly or privately, any statement or announcement that constitutes an ad hominem attack on, or that otherwise disparages, defames, slanders, impugns or is reasonably likely to damage the reputation of the Company or the Group, or any of their respective directors, members, limited or general partners, equity holders, officers, employees, agents, consultants, advisors or other representatives.
8. **General**
- 8.1 **Reasonableness of Restrictions and Covenants.** The Executive hereby confirms and agrees that the covenants and restrictions contained in this Agreement, including, without limitation, those contained in Article 7, are reasonable and valid the Executive further acknowledges and agrees that the Company may suffer irreparable injury in the event of any breach by the Executive of the obligations under any such covenant or restriction. Accordingly, the Executive hereby acknowledges and agrees that damages would be an inadequate remedy at law in connection with any such breach and that the Company shall therefore be entitled, in addition to any other right or

- remedy which it may have at law, in equity or otherwise, to temporary and permanent injunctive relief enjoining and restraining the Executive from any such breach.
- 8.2 **Survival.** Article 7 and this Section 8.2 survive the termination of this Agreement and the Executive's employment for any reason whatsoever.
- 8.3 **Entire Agreement.** This Agreement (including the exhibits hereto) sets forth the entire agreement between the Parties on the subject matters addressed herein. There are no representations, warranties or collateral agreements, whether written or oral, outside of this written Agreement. This Agreement and the terms and conditions of employment contained herein supersede and replace any prior and contemporaneous understandings or discussions between the Parties regarding the Executive's employment.
- 8.4 **Withholding Taxes.** The Company may deduct or withhold from any amounts or benefits payable under this Agreement income taxes and payroll taxes that are required to be withheld pursuant to any applicable law or regulation.
- 8.5 **Section 409A Compliance.** To the extent applicable, this Agreement is intended to comply with the requirements of Section 409A (together with the applicable regulations thereunder, "Section 409A") of the United States Internal Revenue Code of 1986, as amended (the "Code"). To the extent that any provision in this Agreement is ambiguous as to its compliance with Section 409A or to the extent any provision in this Agreement must be modified to comply with Section 409A (including, without limitation, Treasury Regulation 1.409A-3(c)), such provision shall be read, or shall be modified (with the mutual consent of the Parties, which consent shall not be unreasonably withheld), as the case may be, in such a manner so that all payments due under this Agreement shall comply with Section 409A. For purposes of Section 409A, each payment made under this Agreement shall be treated as a separate payment. In no event may the Executive, directly or indirectly, designate the calendar year of payment. Notwithstanding any provision of this Agreement to the contrary, if necessary to comply with the restriction in Section 409A(a)(2)(B) concerning payments to "specified employees" (as defined in Section 409A) any payment on account of the Executive's separation from service that would otherwise be due hereunder within six months after such separation shall nonetheless be delayed until the first business day of the seventh month following the Executive's date of termination and the first such payment shall include the cumulative amount of any payments that would have been paid prior to such date if not for such restriction. Notwithstanding anything contained herein to the contrary, the Executive shall not be considered to have terminated employment with the Company for purposes of this Agreement unless he would be considered to have incurred a "separation from service" from the Company within the meaning of Section 409A.
- 8.6 **Section 280G.** In the event that any payment or benefit that the Executive would receive from the Company or otherwise in connection with a change of control or other similar transaction (a "280G Payment") (i) would constitute a "parachute payment" within the meaning of Section 280G of the Code and (ii) but for this Section 8.6, would be subject to the excise tax imposed by Section 4999 of the Code, then any such 280G Payment shall be payable either (a) in full, or (b) as to such lesser amount which would result in no portion of such payments and benefits being subject to excise tax under Section 4999 of the Code, whichever of the foregoing amounts, taking into account the applicable federal, state and local income taxes and the excise tax imposed by Section 4999, results in the receipt by Executive on an after-tax basis, of the greatest amount of payments and benefits notwithstanding that all or some portion of such payments and benefits may be taxable under Section 4999 of the Code. If a reduced amount is to be paid under this Section 6.1, reductions in payments and/or benefits shall occur in the following order: (1) if none

- of the payments is nonqualified deferred compensation under Section 409A, then the reduction shall occur in the manner the Executive elects in writing prior to the date of payment and (2) if any payment constitutes nonqualified deferred compensation under Section 409A or if the Executive fails to elect an order, then the payments to be reduced shall be determined in a manner which has the least economic cost to Executive and, to the extent the economic cost is equivalent, shall be reduced in the inverse order of when payment would have been made to Executive, until the reduction is achieved; provided, however, that no such reduction or elimination shall apply to any non-qualified deferred compensation amounts (within the meaning of Section 409A) to the extent such reduction or elimination would accelerate or defer the timing of such payment in manner that does not comply with Section 409A. All determinations required to be made under this paragraph, including the manner and amount of any reduction in Executive's payments hereunder, and the assumptions to be utilized in arriving at such determinations, shall be made in writing in good faith by a nationally recognized accounting or consulting firm selected by the Company.
- 8.7 **Amendments.** This Agreement may only be amended by written agreement executed by the Parties. However, for the avoidance of doubt, changes to the Executive's position, duties, vacation, benefits and compensation, over time in the normal course, do not affect the validity or enforceability of the Agreement.
- 8.8 **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware and the laws of the United States applicable in the State of Delaware.
- 8.9 **Severability.** If any provision in this Agreement is determined to be invalid or unenforceable, such provision shall be severed from this Agreement, and the remaining provisions shall continue in full force and effect. If for any reason any court of competent jurisdiction shall find any provisions of this Agreement unreasonable in duration or geographic scope or otherwise, the Parties agree that the restrictions and prohibitions contained herein shall be effective to the fullest extent allowed under applicable law in such jurisdiction.
- 8.10 **Assignment.** The Company may assign this Agreement to an affiliate or subsidiary, and it inures to the benefit of the Company, its successors or assigns.
- 8.11 **Independent Legal Advice.** The Executive acknowledges that the Executive has been encouraged to obtain independent legal advice regarding the execution of this Agreement, and that the Executive has either obtained such advice or voluntarily chosen not to do so, and hereby waives any objections or claims the Executive may make resulting from any failure on the Executive's part to obtain such advice.
- 8.12 **Waiver.** No waiver of any of the provisions of this Agreement shall be effective or binding, unless made in writing and signed by the party purporting to give the same. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions, whether or not similar, nor shall such waiver constitute a continuing waiver, unless expressly stated otherwise.
- 8.13 **Conditions.** This Agreement and the Executive's continued employment hereunder is conditional on the Company's satisfaction (determined in the Company's sole discretion) that the Executive has met the legal requirements to perform the Executive's role, including without limitation, satisfactory results of Health Canada or any other applicable security clearance checks and criminal record checks and other reference checks that the Company performs. The Executive

acknowledges and agrees that in signing this Agreement, and providing the Company with the necessary documentation to perform the checks required for the Executive's role and with references, the Executive is providing consent to the Company or its agent, to performs such checks and contact the references the Executive provided to the Company.

- 8.14 **Prior Restrictions.** By signing below, the Executive represents and warrants that the Executive is not bound by the terms of any agreement with any Person which restricts in any way the Executive's hiring by the Company and the performance of the Executive's expected job duties; the Executive also represents and warrants that, during the Executive's employment with the Company, the Executive shall not disclose or make use of any confidential information of any other persons or entities in violation of any of their applicable policies or agreements and/or applicable law.
- 8.15 **Services in Canada.** The Executive understands and agrees that the Executive may be required to execute an employment agreement with a subsidiary of Cronos Group on substantially the same terms as this Agreement to reflect any services, if any, that may be provided in Canada pursuant to Canadian law, which apply retroactively as of the Effective Date, without duplication of any of the remuneration or benefits set forth in this Agreement.
- 8.16 **Counterparts.** This Agreement may be executed in one or more counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by electronic transmission, including in portable document format (.pdf), shall be deemed as effective as delivery of an original executed counterpart of this Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF this Agreement has been executed by the Parties as of this 14th day of November, 2022.

CRONOS USA CLIENT SERVICES
LLC

By: /s/ Michael Gorenstein
Michael Gorenstein
President

CRONOS GROUP INC.

By: /s/ Michael Gorenstein
Michael Gorenstein
President and Chief Executive Officer

JAMES HOLM

/s/ James Holm
Date: November 14, 2022

EXHIBIT A
CRONOS GROUP INC.
OPTION AWARD AGREEMENT

This Option Award Agreement (hereinafter referred to as this “**Agreement**”) is made and entered into this _____ day of _____, ____ (the “**Grant Date**”) by and between Cronos Group Inc. (hereinafter referred to as “**Cronos**” and, together with any subsidiary, and any successor entity thereto, the “**Company**”) and James Holm (hereinafter referred to as the “**Grantee**”), pursuant to the Cronos Group Inc. 2020 Omnibus Equity Incentive Plan (hereinafter referred to as the “**Plan**”). All terms and provisions of the Plan are hereby incorporated into and shall govern this Agreement except where general provisions of the Plan are superseded by particular provisions of this Agreement. To the extent that the terms of Grantee’s Executive Employment Agreement with the Company effective November 14, 2022 (the “**Employment Agreement**”) and any terms set forth herein conflict or are otherwise inconsistent with any terms or conditions set forth in the Employment Agreement, the terms and conditions set forth in the Employment Agreement shall govern. All capitalized terms used in this Agreement shall have the same meaning given the terms in the Plan.

1. Grant of Options. Cronos hereby grants the Grantee [_____] non-qualified stock options (the “**Options**”) (hereinafter referred to as the “**Award**”), which are subject to terms and conditions set forth below. Each Option represents the right to purchase one Common Share at the Exercise Price set forth below.
2. Exercise Price. The Exercise Price will be \$[_____]¹ per Option (the “**Exercise Price**”).
3. Vesting Dates. The Award shall vest quarterly over four (4) years, with one-sixteenth (1/16th) of the Award vesting on such date that is three (3) months after the Grant Date and every three (3) months thereafter until the fourth (4th) anniversary of the Grant Date (each, a “**Vesting Date**”), provided, that the Grantee remains employed at the Company through such applicable Vesting Date.
4. Expiration Date. Subject to the terms and conditions of this Agreement and the Plan, the latest date the Options will expire is on the seventh anniversary of the Grant Date (the “**Expiration Date**”).
5. Termination of Employment. In the event that prior to the final Vesting Date, the Grantee’s Employment terminates because of death, the full Award shall vest immediately and shall be exercisable in the same manner as provided for in Section 6 and all vested Options may be exercised by the Grantee’s estate at any time within six (6) months from the date of such termination of Employment. In the event that prior to the final Vesting Date, the Grantee’s Employment terminates because of Disability, the Award shall remain outstanding and continue to vest and be exercisable in the same manner as provided for in Sections 3 and 6 and all vested Options may be exercised by the Grantee at any time within six (6) months from the date of such termination of Employment. In the event that prior to the final Vesting Date, the Grantee’s Employment terminates for any reason other than death or Disability, then the unvested portion of the Award shall be forfeited for no consideration.
6. Exercise of Options. Vested Options may be exercised by submitting to Cronos a written notice specifying the number of Options to be exercised accompanied by payment of the full purchase

¹ Note to Draft: To be the closing price reported on Nasdaq on the trading date immediately preceding the date of grant.

- price, in an amount equal to the aggregate Exercise Price of the Options that are being exercised, in cash or in another form, which may include: (a) bank transfer; (b) Common Shares, based on the Fair Market Value as of the exercise date; (c) cashless exercise; (d) any other form of consideration approved by the Company and permitted by applicable law; and (e) any combination of the foregoing. As soon as reasonably practicable following Cronos' determination that the Options have been validly exercised, Cronos will issue the relevant number of Shares to be allocated to the Grantee, subject to applicable tax withholding as provided in Section 3.2 of the Plan.
7. Employment. Nothing in this Agreement shall interfere with or limit in any way the right of the Company to terminate the Grantee's Employment nor confer upon any Grantee any right to continue in the employ of the Company. For greater certainty, a Grantee's termination of Employment will include both voluntary and involuntary terminations, and the involuntary termination of a Grantee's Employment shall occur on the date that the Grantee ceases performing services for the Company on a permanent basis, whether such termination is lawful or otherwise, without regard to any required period of notice, pay in lieu of notice, severance pay or similar compensation or benefits (and without regard for any claim for damages in respect thereof), except as expressly required by applicable employment or labor standards legislation.
 8. Non-Transferable. The rights or interests of the Grantee under this Agreement, including, without limitation, the Options, shall not be assignable or transferable, otherwise than in the case of death of the Grantee as set out in the Plan, and such rights or interests shall not be encumbered by any means.
 9. Not Shares. The Options are not Common Shares, and the Options shall not entitle the Grantee to exercise voting rights or any other rights attaching to the ownership of Common Shares, including, without limitation, rights on liquidation.
 10. Withholding Taxes. The Grantee acknowledges and agrees that the Company has the right to deduct from any payments due to the Grantee any federal, state, provincial or local taxes required by law to be withheld with respect to the Award.
 11. Section 409A. Payments under this Agreement are intended to be exempt from or comply with Section 409A of the Internal Revenue Code ("Section 409A") to the extent applicable, and this Agreement shall be administered accordingly. Notwithstanding anything to the contrary contained in this Agreement or the Employment Agreement, to the extent that any payment under this Agreement is determined by the Company to constitute "non-qualified deferred compensation" subject to Section 409A and is payable to the Grantee by reason of termination of the Grantee's Employment, then (a) such payment shall be made to the Grantee only upon a "separation from service" as defined for purposes of Section 409A under applicable regulations and (b) if the Grantee is a "specified employee" (within the meaning of Section 409A and as determined by the Company), such payment shall not be made before the date that is six (6) months after the date of the Grantee's separation from service (or the Grantee's earlier death). Each payment under this Agreement shall be treated as a separate payment for purposes of Section 409A.
 12. Governing Law. The Plan and this Agreement shall be construed in accordance with and governed by the laws of the State of Delaware.
 13. Binding Effect. This Agreement shall be binding upon and inure to the benefit of any successors to the Company and all persons lawfully claiming under Grantee. By accepting the Award on the terms set forth herein, the Grantee acknowledges and agrees to the matters and conditions set forth

herein and in the Plan. The Grantee hereby further confirms and acknowledges receipt of a copy of the Plan.

[Signature Page Follows]

IN WITNESS WHEREOF, this Agreement is executed by Cronos and by Grantee as of this ____ day of _____, _____.

CRONOS GROUP INC.

By: Michael Gorenstein
Title: President and Chief Executive Officer

The Grantee (a) accepts the Award, (b) agrees to be bound by, and comply with, the terms of the Plan and this Agreement, and (c) agrees that all good faith decisions and determinations of the Administrator with respect to the Award shall be final and binding on the Grantee and any other person having or claiming an interest under the Award.

GRANTEE

James Holm

EXHIBIT B
CRONOS GROUP INC.
RESTRICTED SHARE UNIT AWARD AGREEMENT

This Restricted Share Unit Award Agreement (hereinafter referred to as this “Agreement”) is made and entered into this _____ day of _____, _____ (the “Grant Date”) by and between Cronos Group Inc. (hereinafter referred to as “Cronos” and, together with any subsidiary, and any successor entity thereto, the “Company”) and James Holm (hereinafter referred to as the “Grantee”), pursuant to the Cronos Group Inc. 2020 Omnibus Equity Incentive Plan (hereinafter referred to as the “Plan”). All terms and provisions of the Plan are hereby incorporated into and shall govern this Agreement except where general provisions of the Plan are superseded by particular provisions of this Agreement. To the extent that the terms of Grantee’s Executive Employment Agreement with the Company effective November 14, 2022 (the “Employment Agreement”) and any terms set forth herein conflict or are otherwise inconsistent with any terms or conditions set forth in the Employment Agreement, the terms and conditions set forth in the Employment Agreement shall govern. All capitalized terms used in this Agreement shall have the same meaning given the terms in the Plan.

1. Grant of Restricted Share Units. Cronos hereby grants the Grantee [] Restricted Share Units (hereinafter referred to as the “Award”), which are subject to terms and conditions set forth below.
2. Vesting and Settlement of Restricted Share Units. Subject to the terms and conditions of this Agreement and the Plan:
 - (a) the Award shall vest on the third (3rd) anniversary of the Grant Date (the “Vesting Date”), provided, that the Grantee remains employed at the Company through such Vesting Date;
 - (b) upon the Vesting Date, the Award shall promptly (but not later than sixty (60) calendar days thereafter) be paid out in Common Shares, cash or a combination of Common Shares or cash, as determined by the Committee; and
 - (c) where the Committee decides to settle all or a portion of the Grantee’s vested Awards in Common Shares, settlement shall be made by the issuance and delivery of one Common Share for each Restricted Share Unit which the Committee decides to settle in Common Shares. Where the Committee decides to settle all or a portion of the Grantee’s vested Awards in cash, a cash payment shall be made to the Grantee equal to the Fair Market Value determined as of the applicable Vesting Date of the Award multiplied by the number of vested Restricted Share Units that the Committee wishes to settle in cash.
3. Termination of Employment. In the event that prior to the Vesting Date, the Grantee’s Employment terminates because of death, the full Award shall vest and promptly (but not later than sixty (60) calendar days thereafter) be settled in the same manner as provided for in Section 2. In the event that prior to the Vesting Date, the Grantee’s Employment terminates because of Disability, the Award shall remain outstanding and continue to vest and be settled in the same manner as provided for in Section 2. In the event that prior to the Vesting Date, the Grantee’s Employment terminates for any reason other than death or Disability, then the Award shall be forfeited for no consideration.
4. Employment. Nothing in this Agreement shall interfere with or limit in any way the right of the Company to terminate the Grantee’s Employment nor confer upon any Grantee any right to continue in the employ of the Company. For greater certainty, a Grantee’s termination of Employment will include both voluntary and involuntary terminations, and the involuntary

- termination of a Grantee's Employment shall occur on the date that the Grantee ceases performing services for the Company on a permanent basis, whether such termination is lawful or otherwise, without regard to any required period of notice, pay in lieu of notice, severance pay or similar compensation or benefits (and without regard for any claim for damages in respect thereof), except as expressly required by applicable employment or labor standards legislation.
5. Non-Transferable. The rights or interests of the Grantee under this Agreement, including, without limitation, the Restricted Share Units, shall not be assignable or transferable, otherwise than in the case of death of the Grantee as set out in the Plan, and such rights or interests shall not be encumbered by any means.
 6. Not Shares. The Restricted Share Units are not Common Shares, and the Restricted Share Units shall not entitle the Grantee to exercise voting rights or any other rights attaching to the ownership of Common Shares, including, without limitation, rights on liquidation.
 7. Withholding Taxes. The Grantee acknowledges and agrees that the Company has the right to deduct from any payments due to the Grantee any federal, state, provincial or local taxes required by law to be withheld with respect to the Award.
 8. Section 409A. Payments under this Agreement are intended to be exempt from or comply with Section 409A of the Internal Revenue Code ("Section 409A") to the extent applicable, and this Agreement shall be administered accordingly. Notwithstanding anything to the contrary contained in this Agreement or the Employment Agreement, to the extent that any payment under this Agreement is determined by the Company to constitute "non-qualified deferred compensation" subject to Section 409A and is payable to the Grantee by reason of termination of the Grantee's Employment, then (a) such payment shall be made to the Grantee only upon a "separation from service" as defined for purposes of Section 409A under applicable regulations and (b) if the Grantee is a "specified employee" (within the meaning of Section 409A and as determined by the Company), such payment shall not be made before the date that is six (6) months after the date of the Grantee's separation from service (or the Grantee's earlier death). Each payment under this Agreement shall be treated as a separate payment for purposes of Section 409A.
 9. Governing Law. The Plan and this Agreement shall be construed in accordance with and governed by the laws of the State of Delaware.
 10. Binding Effect. This Agreement shall be binding upon and inure to the benefit of any successors to the Company and all persons lawfully claiming under Grantee. By accepting the Award on the terms set forth herein, the Grantee acknowledges and agrees to the matters and conditions set forth herein and in the Plan. The Grantee hereby further confirms and acknowledges receipt of a copy of the Plan.

[Signature Page Follows]

IN WITNESS WHEREOF, this Agreement is executed by Cronos and by Grantee as of this _____ day of _____, _____.

CRONOS GROUP INC.

By: Michael Gorenstein
Title: President and Chief Executive Officer

The Grantee (a) accepts the Award, (b) agrees to be bound by, and comply with, the terms of the Plan and this Agreement, and (c) agrees that all decisions and determinations of the Administrator with respect to the Award shall be final and binding on the Grantee and any other person having or claiming an interest under the Award.

GRANTEE

James Holm

EXHIBIT C
FORM OF FULL AND FINAL RELEASE

GENERAL RELEASE AND WAIVER OF CLAIMS (this “Release”), by the undersigned (hereinafter called the “Releasor”) in favor of Cronos Group, Inc. and its subsidiaries (hereinafter referred to as the “Employer”), affiliates, stockholders, beneficial owners of its stock, its current or former officers, directors, employees, members, attorneys and agents, and their predecessors, successors and assigns, individually and in their official capacities (hereinafter called the “Releasees”).

WHEREAS, Releasor has been employed as Chief Financial Officer of Cronos Group, Inc.;

WHEREAS, Releasor’s employment with Cronos USA Client Services LLC was terminated, effective as of • (the “Effective Date”); and

WHEREAS, Releasor is seeking certain payments under Section 6.3 of the employment agreement entered into by Cronos USA Client Services LLC, the Releasor and, solely for the purposes specified therein, Cronos Group, Inc., effective November 14, 2022 (hereinafter called the “Employment Agreement”), that are conditioned on the effectiveness of this Release.

NOW, THEREFORE, in consideration of such payments and benefits and the covenants and agreements hereinafter set forth, the parties agree as follows:

1. GENERAL RELEASE. Releasor knowingly and voluntarily waives, terminates, cancels, releases and discharges forever the Releasees from any and all suits, actions, causes of action, claims, allegations, rights, obligations, liabilities, demands, entitlements or charges (collectively, “Claims”) that Releasor (or Releasor’s heirs, executors, administrators, successors and assigns) has or may have, whether known, unknown or unforeseen, vested or contingent, by reason of any matter, cause or thing occurring at any time before and including the date of this Release, including all claims arising under or in connection with Releasor’s employment, or termination or resignation of employment with the Employer, including, without limitation: Claims under United States federal, state or local law and the national or local law of any foreign country (statutory or decisional), for wrongful, abusive, constructive or unlawful discharge or dismissal, for breach of any contract, or for discrimination based upon race, color, ethnicity, sex, age, national origin, religion, disability, sexual orientation, or any other unlawful criterion or circumstance, including rights or Claims under the Age Discrimination in Employment Act of 1967 (“ADEA”), the Older Workers Benefit Protection Act of 1990 (“OWBPA”), violations of the Equal Pay Act, Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1991, the Americans with Disabilities Act of 1991, the Employee Retirement Income Security Act of 1974 (“ERISA”), the Fair Labor Standards Act, the Worker Adjustment Retraining and Notification Act, the Family Medical Leave Act, including all amendments to any of the aforementioned acts; and violations of any other federal, state, or municipal fair employment statutes or laws, including, without limitation, violations of any other law, rule, regulation, or ordinance pertaining to employment, wages, compensation, hours worked, or any other Claims for compensation or bonuses, whether or not paid under any compensation plan or arrangement; breach of contract; tort and other common law Claims; defamation; libel; slander; impairment of economic opportunity; defamation; sexual harassment; retaliation; attorneys’ fees; emotional distress; intentional infliction of emotional distress; assault; battery, pain and suffering; and punitive or exemplary damages (the “Released Matters”). In addition, in consideration of the provisions of this Release, Releasor further agrees to waive any and all rights under the laws of any jurisdiction in the United States, or any other country, that limit a general release to those Claims that are known or suspected to exist in Releasor’s favor as of the Release Effective Date (as defined below).

Thus, notwithstanding the purpose of implementing a full and complete release and discharge of the claims released by this Release, Releasor expressly acknowledges that this Release is intended to include in its effect, without limitation, all claims which Releasor does not know or suspect to exist in his favor at the time of execution hereof arising out of or relating in any way to the subject matter of the actions referred to herein above and that this Release contemplates the extinguishment of any such claims.

2. **SURVIVING CLAIMS.** Notwithstanding anything herein to the contrary, this Release shall not:

- (i) release any Claims for payment of amounts payable under the Employment Agreement (including, without limitation, under Section 6.3 thereof);
- (ii) release any Claim for employee benefits under plans covered by ERISA to the extent any such Claim may not lawfully be waived or for any payments or benefits under any Employer plans that have vested (including any 401(k) plan) according to the terms of those plans;
- (iii) release any Claim or right Releasor may have pursuant to indemnification, advancement, defense, or reimbursement pursuant to any applicable D&O policies, any similar insurance policies, applicable law or otherwise;
- (iv) release any Claim that may not lawfully be waived in a private agreement between the parties; or
- (v) limit Releasor's rights under applicable law to provide truthful information to any governmental entity or to file a charge with or participate in an investigation conducted by any governmental entity. Notwithstanding the foregoing, Releasor agrees to waive Releasor's right to recover monetary damages in connection with any charge, complaint or lawsuit filed by Releasor or anyone else on Releasor's behalf (whether involving a governmental entity or not); provided that Releasor is not agreeing to waive, and this Release shall not be read as requiring Releasor to waive, any right Releasor may have to receive an award for information provided to any governmental entity.

3. **ADDITIONAL REPRESENTATIONS AND WARRANTIES.** Releasor further represents and warrants that Releasor has not filed any civil action, suit, arbitration, administrative charge, or legal proceeding against any Releasees nor, has Releasor assigned, pledged, or hypothecated as of the Release Effective Date any Claim to any person and no other person has an interest in the Claims that he is releasing.

4. **ACKNOWLEDGMENT BY RELEASOR.** Releasor acknowledges and agrees that Releasor has read this Release in its entirety and that this Release is a general release of all known and unknown Claims. Releasor further acknowledges and agrees that:

- (i) this Release does not release, waive or discharge any rights or Claims that may arise for actions or omissions after the Release Effective Date and Releasor acknowledges that he is not releasing, waiving or discharging any ADEA Claims that may arise after the Release Effective Date;

- (ii) Releasor is entering into this Release and releasing, waiving and discharging rights or Claims only in exchange for consideration which he is not already entitled to receive;
- (iii) Releasor has been advised, and is being advised by the Release, to consult with an attorney before executing this Release;
- (iv) Releasor has been advised, and is being advised by this Release, that he has been given at least [twenty-one (21)] [forty-five (45)] days within which to consider the Release, but Releasor can execute this Release at any time prior to the expiration of such review period; [and]
- (v) [Because this Release includes a release of claims under ADEA, Releasor is being provided with the information contained in Schedule 1 hereto in accordance with the OWBPA; and]²
- (vi) Releasor is aware that this Release shall become null and void if he or she revokes his or her agreement to this Release within seven (7) days following the date of execution of this Release. Releasor may revoke this Release at any time during such seven-day period by delivering (or causing to be delivered) to the Employer written notice of his or her revocation of this Release no later than 5:00 p.m. Eastern time on the seventh (7th) full day following the date of execution of this Release (the "Release Effective Date"). Releasor agrees and acknowledges that a letter of revocation that is not received by such date and time shall be invalid and shall not revoke this Release.

5. **COOPERATION WITH INVESTIGATIONS AND LITIGATION.** Releasor agrees, upon the Employer's reasonable request and consistent with Releasor's reasonable business and personal obligations, to reasonably cooperate with the Employer in any investigation, litigation, arbitration or regulatory proceeding regarding events that occurred during Releasor's tenure with the Employer or its affiliate, including making himself or herself reasonably available to consult with Employer's counsel, to provide information and to give testimony. Employer shall reimburse Releasor for reasonable out-of-pocket expenses Releasor incurs in extending such cooperation, so long as Releasor provides satisfactory documentation of the expenses. Nothing in this Section is intended to, and shall not, restrict or limit Releasor from exercising his or her protected rights described in Sections 2, 4, 5 or 6 hereof or restrict or limit Releasor from providing truthful information in response to a subpoena, other legal process or valid governmental inquiry.

6. **RESTRICTIVE COVENANTS.** Releasor hereby affirms the restrictive covenants set forth in Section 7 of the Employment Agreement shall continue to apply following the Release Effective Date in accordance with their terms.

7. **GOVERNING LAW.** To the extent not subject to federal law, this Release shall be governed by and construed in accordance with the law of the State of Delaware applicable to contracts made and to be performed entirely within that state.

² **Note to Draft:** To be included (along with 45 day consideration period and Schedule 1 attached hereto) in consideration for ADEA/OWBPA claims in terminations involving multiple employees.

8. SEVERABILITY. If any provision of this Release should be declared to be unenforceable by any administrative agency or court of law, then remainder of the Release shall remain in full force and effect.

9. CAPTIONS; SECTION HEADINGS. Captions and section headings used herein are for convenience only and are not a part of this Release and shall not be used in construing it.

10. COUNTERPARTS; FACSIMILE SIGNATURES. This Release may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original instrument without the production of any other counterpart. Any signature on this Release, delivered by either party by photographic, facsimile or PDF shall be deemed to be an original signature thereto.

IN WITNESS WHEREOF I have hereunder set my hand this _____ day of _____, 20____.

SIGNED AND DELIVERED

in the presence of:

Witness' Signature

Print Name of Witness

Address of Witness

[Name of Executive]

Schedule 1

[TO BE COMPLETED AND PROVIDED IF APPLICABLE]

As required by the Older Workers Benefit Protection Act, the Employer is providing the following information.

To respect the privacy of your colleagues, we ask that you use the information on this Schedule only for its intended purpose – to help you decide whether to enter into the Release – and that you otherwise treat this information as confidential.

[All employees of the Employer] [describe subset of employees considered for separation] (known as the “decisional unit”) were considered for the separation program. The chart below shows the job titles and ages, as of ●, of each employee in the decisional unit and whether or not such employee has been selected for termination and offered separation pay in exchange for signing a release under the separation program. Employees have 45 days to consider whether to sign and 7 days to revoke any such release.

Job Title	Age (as of ●)	Selected for the separation program?

