

CRONOS

G R O U P

INVESTOR PRESENTATION

March 13, 2024

DISCLAIMERS & CAUTIONARY STATEMENTS

CRONOS GROUP INC.

This document may contain forward-looking information or forward-looking statements within the meaning of applicable U.S. and Canadian securities laws and court decisions (collectively, **“forward-looking information”**). All information contained in this communication that is not clearly historical in nature or that necessarily depends on future or subsequent events is forward-looking information prepared as of the date hereof and is based upon the opinions and estimates of management and the information available to management as of the date hereof. In some cases, forward-looking information can be identified by the use of forward-looking terminology such as **“expect”, “likely”, “may”, “will”, “should”, “intend”, “anticipate”, “potential”, “proposed”, “estimate”** and other similar words, expressions and phrases, including negative and grammatical variations thereof, or statements that certain events or conditions **“may”** or **“will”** happen, or by discussion of strategy. Forward-looking information is based upon a number of current internal expectations, estimates, projections, assumptions and beliefs that, while considered reasonable by management, are inherently subject to significant business, economic, competitive and other uncertainties and contingencies. Forward-looking information is not a guarantee of future performance and involves known and unknown risks, uncertainties and other factors (including the risk factors disclosed under the heading **“Risk Factors”** in the **Company’s** most recent annual, quarterly or other reports filed with the U.S. Securities and Exchange Commission (the **“SEC”**), which are available under the **Company’s** EDGAR profile at www.sec.gov/edgar, and applicable securities regulatory authorities in Canada on the **Company’s** SEDAR profile at www.sedar.com), that may cause actual results, performance or achievements to be materially different from the future results, performance or achievements expressed or implied by such forward-looking information. Any estimates, investment strategies or views expressed in this document are based upon current market conditions, and/or data and information provided by unaffiliated third parties, and are subject to change without notice. To the extent any information in this document was obtained from third party sources, the Company has not independently verified that information, and there is a risk that the assumptions made and conclusions drawn by the Company based on such information are not accurate. Except as required by law, the Company disclaims any obligation to update or revise any

forward-looking information, whether as a result of new information, events or otherwise. Readers are cautioned not to put undue reliance on this forward-looking information.

This presentation includes Adjusted EBITDA, a non-GAAP financial measure, which excludes non-cash items and items that do not reflect **management’s** assessment of ongoing business performance. Management defines Adjusted EBITDA as net income (loss) before interest, tax expense (benefit), depreciation and amortization adjusted for: share of income (loss) from equity method investments; impairment loss on goodwill and intangible assets; impairment loss on long-lived assets; (gain) loss on revaluation of derivative liabilities; (gain) loss on revaluation of financial instruments; transaction costs related to strategic projects; impairment loss on other investments; foreign currency transaction loss; other, net; loss from discontinued operations; restructuring costs; inventory write-downs resulting from restructuring actions; share-based compensation; and financial statement review costs (and reserves) related to the restatements of the Company's 2019 and 2021 interim financial statements, including the costs related to the settlement of the Securities and Exchange **Commission’s** and the Ontario Securities **Commission’s** investigations of the restatements and legal costs defending shareholder class action complaints brought against the Company as a result of the 2019 restatement. Management believes that Adjusted EBITDA provides the most useful insight into underlying business trends and results and provides a more meaningful comparison of period-over-period results. Management uses Adjusted EBITDA for planning, forecasting and evaluating business and financial performance, including allocating resources and evaluating results relative to employee compensation targets. Non-GAAP measures should not be considered a substitute for, or superior to, the financial information prepared and presented in accordance with U.S. GAAP. A reconciliation of Adjusted EBITDA to net income (loss) has been included in this presentation.

AGENDA

- I. Mission and Strategy
- II. Brand Portfolio
- III. Global Supply Chain and Distribution
- IV. Financial Summary
- V. Management Team and Board of Directors

THE CRONOS MINDSET

MISSION

Improve people's lives by unlocking the full potential of cannabis.

PURPOSE

We aspire to be the leading cannabinoid company with brands that connect consumers, a winning culture, and industry leading innovation.

VALUES

People & Community

We believe in fostering the most valuable global cannabis community comprised of passionate and daring people.

Quality Products

We believe in developing innovative and meaningful products that meet the needs and exceed the expectations of our customers.

Integrity & Leadership

We take pride in leading the industry forward responsibly.

A low-angle, black and white photograph of a person in silhouette falling from the edge of a skyscraper. The person's arms and legs are outstretched in a falling posture. The building's glass facade and structural grid are visible in the background, creating a sense of height and danger. The overall image is dark and dramatic, with a green horizontal bar at the bottom.

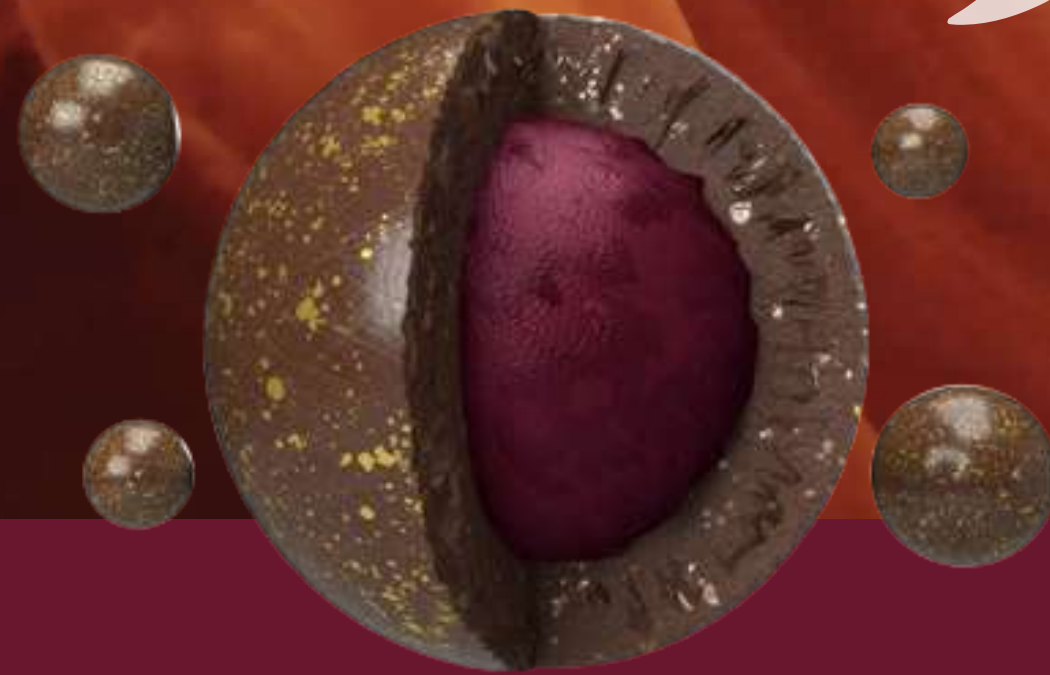
BRAND PORTFOLIO

BUILDING A PORTFOLIO OF BRANDS



(1) Not all product formats are available in all markets

LORD JONES[®]





NEW

**MANGO KIWI
HAZE CBC**

**MANGO
LIME**

Spinach
Feelz™

THC+CBC



FEELZ. THE WAY YOU WANT.

Introducing another friend to our Spinach FEELZ™ line-up



PEACENATURALS®
MEDICINAL CANNABIS

Wellness

Accessible high-quality cannabis for medicinal purposes.





GLOBAL SUPPLY CHAIN AND DISTRIBUTION

CRONOS ISRAEL

JV Structure and Licenses

Strategic JV with Kibbutz Gan Shmuel, a commercial kibbutz and food company.

Subsidiaries	Cronos Group Ownership Interest
Cronos Israel G.S. Cultivation Ltd.	70%
Cronos Israel G.S. Manufacturing Ltd.	90%
Cronos Israel G.S. Store Ltd.	90%
Cronos Israel G.S. Pharmacy Ltd.	90%

The Company has the necessary regulatory approvals to produce, manufacture and sell dried cannabis flower, pre-rolls and oil products.



Facility

Ideal climate enables efficient production of high-quality cannabis.

Over 1,000 agriculturally skilled Kibbutz members live on site and existing infrastructure available to support operations.

Gan Shmuel currently exports to 35 countries across Europe and Asia through Gan Shmuel Foods Ltd., a publicly traded food company listed on the Tel Aviv Exchange.



Israel Market

Israel is a leader in research and development on medical cannabis.

Cronos' revenue within Israel was \$21.1 million in 2023.

Currently in market with PEACE NATURALS® and LIT™ branded cannabis products.



Additional Partnerships: Cannasoul Analytics

In April 2020, Cronos Israel entered into a collaboration agreement with Cannasoul Analytics Ltd. ("Cannasoul"), a cannabis research company dedicated to developing scientific intellectual property, medical products, and technologies, to develop a commercial cannabis analytical testing laboratory onsite at Cronos Israel.

Cannasoul intends to operate the laboratory and conduct in-house commercial analytical testing for Cronos Israel and third-party clients.



CRONOS GROWCO (CANADA)

Joint Venture With Best-In-Class Agricultural Operator

JV STRUCTURE

50/50 joint venture between Cronos and a group of investors led by Bert Mucci, principal of a Canadian large-scale greenhouse operator, Mucci Farms.

COMMERCIAL BUSINESS

In 2023, Cronos GrowCo reported to the Company preliminary unaudited net revenue of approximately \$19.6 million to licensed producers excluding sales to Cronos.

Cronos intends to leverage GrowCo's capabilities in premium flower cultivation and efficient downstream processing, with the aim to improve profitability of the Company's Canadian operations.



PRIMARY COUNTRIES OF DISTRIBUTION

Canadian Adult-use Cannabis



ADULT-USE – 3 Retail Models Within This Channel

- 1 FULL CROWN CORPORATION:
 - Procurement is led by Crown Corp and the retail outlets / online retail stores are operated by Crown Corp
- 2 HYBRID CROWN / PRIVATE:
 - Procurement is led by Crown Corp and the online retail store is operated by the Crown Corp
 - Brick-and-mortar retail outlets can be both Crown Corp and / or privately owned and operated
- 3 FULL PRIVATE:
 - The procurement, retail outlets and online retail are privately owned and operated

Israeli Medical Cannabis



Germany and Australia Medical Cannabis



A low-angle, upward-looking photograph of several tall skyscrapers in a city, creating a sense of height and scale. The buildings are dark and their windows are visible. The sky is a pale, overcast grey. The overall image has a dark, moody aesthetic.

FINANCIAL SUMMARY

FINANCIAL OVERVIEW

<i>(in thousands of USD)</i>	Three Months Ended December 31,		Change		Year ended December 31,		Change	
	2023	2022	\$	%	2023	2022	\$	%
Consolidated net revenue	\$ 23,915	\$ 22,033	\$ 1,882	9 %	\$ 87,241	\$ 86,749	\$ 492	1 %
Cost of sales	21,913	20,773	1,140	5 %	74,527	71,313	3,214	5 %
Inventory write-down	89	—	89	N/A	805	—	805	N/A
Gross profit	\$ 1,913	\$ 1,260	\$ 653	52 %	\$ 11,909	\$ 15,436	\$ (3,527)	(23) %
Gross margin ⁽ⁱ⁾	8 %	6 %	N/A	2 pp	14 %	18 %	N/A	(4)pp
Net income (loss) ⁽ⁱⁱ⁾	\$(45,151)	\$(76,181)	\$ 31,030	41 %	\$(70,439)	\$(155,178)	\$ 84,739	55 %
Adjusted EBITDA ⁽ⁱⁱⁱ⁾	\$(14,790)	\$(19,018)	\$ 4,228	22 %	\$(61,564)	\$ (70,291)	\$ 8,727	12 %
Other Data								
Cash and cash equivalents ^(iv)	\$669,291	\$764,644	\$ (95,353)	(12) %				
Short-term investments ^(iv)	192,237	113,077	79,160	70 %				
Capital expenditures ^(v)	1,792	768	1,024	133 %	3,423	5,032	(1,609)	(32) %

(i) Gross margin is defined as gross profit divided by net revenue.

(ii) The improvement year-over-year in quarterly net income (loss) was primarily driven by lower income tax expense, an improvement in operating loss and higher interest income.

(iii) See "Non-GAAP Measures" for more information, including a reconciliation of adjusted earnings (loss) before interest, taxes, depreciation and amortization ("Adjusted EBITDA") to net income (loss).

(iv) Dollar amounts are as of the last day of the period indicated.

(v) Capital expenditures represent component information of investing activities and is defined as the sum of purchase of property, plant and equipment, and purchase of intangible assets.

WE HAVE SIGNIFICANT UNDERAPPRECIATED VALUE

\$862 million in cash and cash equivalents and zero debt⁽²⁾



Our Canadian business reached \$64.7 million in revenue in 2023⁽²⁾

Overall, Spinach is the #2⁽¹⁾ cannabis brand



In edibles, the #1⁽¹⁾ brand



In flower, the #1⁽¹⁾ brand



In pre-rolls, the #8⁽¹⁾ brand and quickly taking share



In vape, the #3⁽¹⁾ brand, and also gaining ground.



We have a leading brand in Israel, totalling revenue of \$21.1 million in 2023⁽²⁾



Additional Investments / Assets / Partnerships

We have an approximate 5.9% stake in PharmaCann, one of the largest private U.S. MSOs. Our stake is currently on our books for \$25.7 million.⁽²⁾



We have an approximate 10% stake in Vitura, a leading publicly-traded Australian medical cannabis provider, worth approximately \$9.6 million as of Q4 2023.⁽²⁾



We own 50% of the equity in Cronos GrowCo, which is profitable. We ended the quarter with a remaining balance of approximately \$83 million on our combined loans to GrowCo and its partners.⁽²⁾



We have a growing portfolio of proprietary fermentation methods, product formulations and genetics.



We have an exclusive partnership with Altria on a global basis.



STRATEGIC INVESTMENT IN PHARMACANN, A LEADING U.S. CANNABIS COMPANY

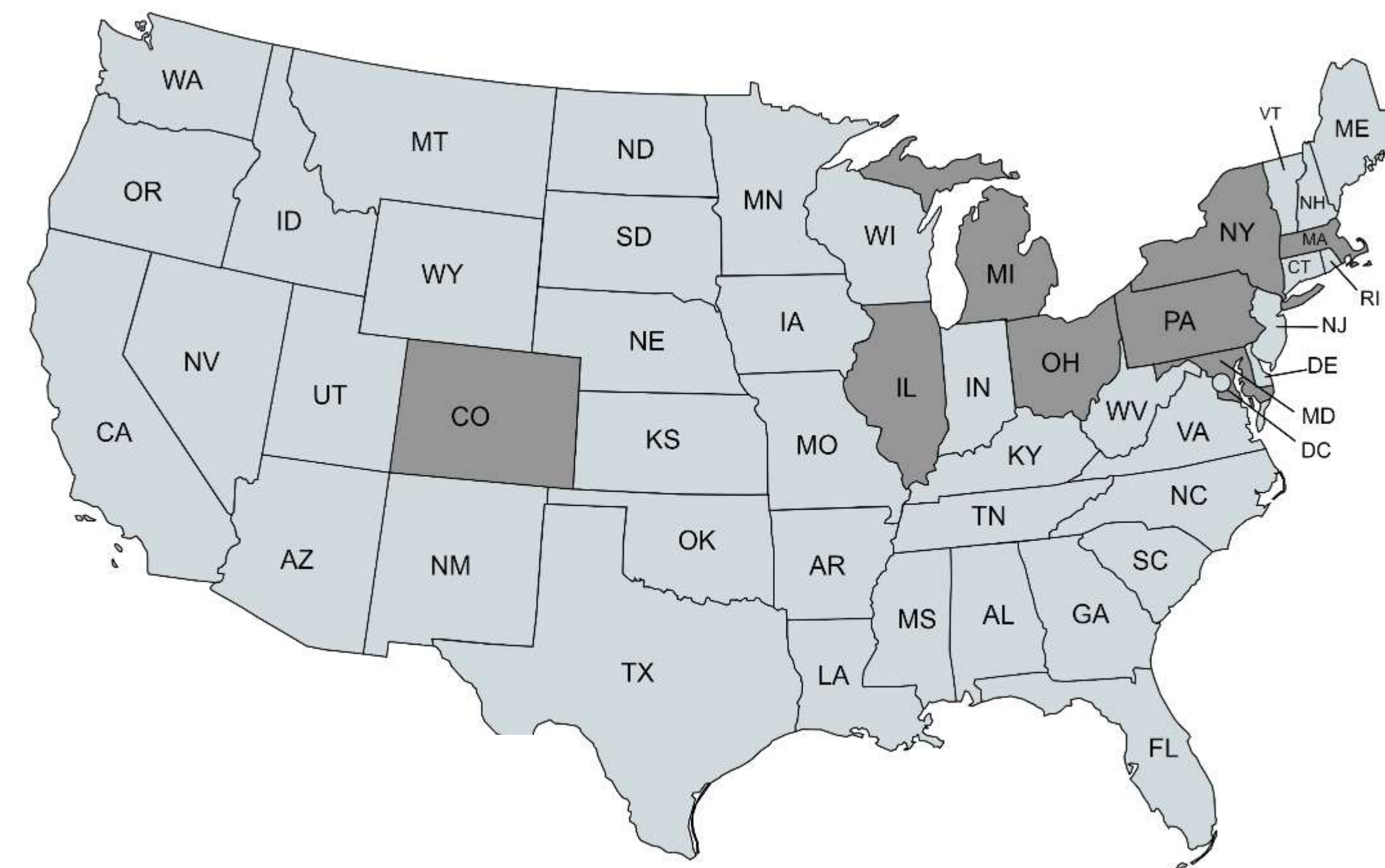
Investment is Expected to Position Cronos Group to Benefit from Rapid Growth in the U.S. Cannabis Market



Investment Overview and Strategic Rationale

- On June 14, 2021, Cronos Group announced a strategic investment in PharmaCann.
- A wholly-owned subsidiary of Cronos Group purchased an option to acquire an approximately 10.5% ownership stake in PharmaCann on a fully-diluted basis for a total consideration of approximately \$110.4 million.
- Following the exercise of the option (which will be based upon various factors, including the status of U.S. federal cannabis legalization), Cronos Group and PharmaCann will enter into commercial agreements that would permit each party to offer its products through either **party's** distribution channels.
- On February 28, 2022, PharmaCann completed the acquisition of LivWell Holdings, Inc. ("LivWell").
- As of December 31, 2023, the **Company's** ownership percentage in PharmaCann on a fully diluted basis was approximately 5.9%.

PharmaCann's Geographic Footprint



PharmaCann has a broad geographic footprint in the U.S. and has built an efficient, effective and scalable operating model across the following eight states: New York, Illinois, Ohio, Maryland, Pennsylvania, Michigan, Colorado and Massachusetts.

STRATEGIC INVESTMENT

In March 2019, Altria Invested \$1.8B for a 45% Stake in Cronos Group Common Equity

Proven expertise in brand and product development in highly regulated markets

Financial capacity and wherewithal to support growth plan and capitalize on emerging market opportunities

Leading technology and R&D capabilities



Leading global cannabis producer

Unique R&D and production capabilities

Talented management team, with a track-record of success

Partnership accelerates Cronos Group's execution and achievement of strategic objectives

A dark, grayscale background image showing a close-up of two hands shaking in a firm grip, symbolizing a business agreement or partnership. The image is slightly blurred and has a dark overlay.

MANAGEMENT TEAM & BOARD OF DIRECTORS

MANAGEMENT TEAM

Our management team comprises experts in their fields, with a goal to establish the most valuable international cannabis company. They are passionate, daring people, driven by quality and integrity, who are determined to write history, not read about it.



MIKE GORENSTEIN

Chairman, President and
Chief Executive Officer



JEFF JACOBSON

Chief Growth Officer



SHANNON BUGGY

SVP, Global Head of People



JAMES HOLM

Chief Financial Officer



ANNA SHLIMAK

SVP, Corporate Affairs
and Strategy



TERRY DOUCET

General Counsel and
Corporate Secretary



ARYE WEIGENBERG

SVP, Head of Research
and Development



RAN GORELIK

General Manager, Cronos Israel,
Cronos Group's strategic joint venture
with Kibbutz Gan Shmuel

BOARD OF DIRECTORS



MIKE GORENSTEIN

Chairman, President and Chief Executive Officer

Mike serves as Cronos Group's Chairman, President and Chief Executive Officer. In addition, Mike is a Co-founder and passive Member of Gotham Green Partners. Before joining the Company, Mike was the Vice President and General Counsel at Alphabet Partners, LP, a New York based investment management firm. Prior to Alphabet Partners, LP, he was a corporate attorney at Sullivan & Cromwell LLP.



JIM RUDYK

Lead Director, Audit Committee Chair, Compensation Committee

Jim is the Chief Financial Officer of Ag Growth International Inc. ("AGI") where he is responsible for finance, accounting, business intelligence and information technology. Jim is a seasoned executive with more than 25 years of financial and operational experience, and a track record of supporting ambitious growth plans. Prior to joining AGI, Jim served as the CFO of Sofina Foods Inc. from Sept. 2019 until May 2020 and was the CFO of Roots Corporation from 2016 through Aug. 2019, where he helped the company grow and transition from a family-led organization to a Canadian public company.



KAMRAN KHAN

Kamran Khan serves as Vice-President and Associate General Counsel with Altria Client Services Inc. Over the last 16 years, Kamran has managed a wide portfolio of litigation, business counseling and regulatory matters supporting Altria's family of companies. In his current role, Mr. Khan leads a team responsible for supporting Government Affairs, Corporate Citizenship, Regulatory Affairs, and Privacy. Previously, Mr. Khan led a team providing legal support for all aspects of the development, marketing, and sale of innovative tobacco products.



JASON ADLER

Audit Committee, Compensation Committee Chair

Jason is a Co-founder and Managing Member of Gotham Green Partners, a private equity firm focused primarily on early-stage investing in companies in the cannabis industry. Prior to co-founding Gotham Green, Jason was the Co-founder and CEO of Alphabet Partners, LP. Jason also founded Geronimo, LLC, a broker-dealer and member of the American Stock Exchange.



KENDRICK F. ASHTON, Jr.

Audit Committee

Kendrick is the Co-founder and Co-Chief Executive Officer of The St. James, a leading developer and operator of performance, wellness and lifestyle brands, experiences and destinations. Prior to founding The St. James, Kendrick was a founding member and Managing Director of Perella Weinberg Partners, a boutique financial services firm. Before joining Perella Weinberg, he was an investment banker at Goldman, Sachs & Co. and gained legal experience at Cravath, Swaine & Moore and Wachtell, Lipton, Rosen & Katz.



DOMINIK MEIER

Dominik Meier serves as the Vice President of Consumer & Marketplace Insights & Innovation for Altria Client Services. Before assuming his current role, Mr. Meier served as Vice President of Strategy, Consumer & Marketplace Insights for Altria Ventures Inc. Since joining the Altria family of companies in 2005, Mr. Meier has served in a variety of roles including as the General Manager and Managing Director of Nat Sherman LLC, a former super-premium cigarette and cigar business and General Manager for a joint venture, Richmark GmbH.



ELIZABETH SEEGAR

Compensation Committee

Elizabeth Seegar serves as Vice President, Financial Planning & Analysis for Altria Client Services ALCS. In her role, she oversees the development of financial models, financial forecasting, accounting and reporting and various analysis for Altria and its companies. Previously, Ms. Seegar served as Vice President, Corporate Audit for Altria, where she had oversight of both internal audit as well as Altria's Sarbanes-Oxley compliance program. Since 2003, Ms. Seegar has held a variety of leadership roles across Altria's Finance Department.

A low-angle, upward-looking photograph of several tall skyscrapers in a city, likely New York City. The buildings are dark and their facades are covered in a grid of windows. They converge towards the top center of the frame, creating a strong sense of height and scale. The sky is a pale, uniform grey. The overall image has a dark, moody aesthetic.

APPENDIX

ADJUSTED EBITDA (NON-GAAP) RECONCILIATION

(in thousands of U.S. dollars)

	For the year ended December 31, 2023		
	Continuing Operations	Discontinued Operations	Total
Net loss	\$ (70,439)	\$ (4,114)	\$ (74,553)
Interest income, net	(51,235)	(10)	(51,245)
Income tax expense (benefit)	(3,230)	—	(3,230)
Depreciation and amortization	7,866	244	8,110
EBITDA	(117,038)	(3,880)	(120,918)
Share of (income) loss from equity method investments	(1,583)	—	(1,583)
Impairment loss on long-lived assets ⁽ⁱ⁾	3,366	205	3,571
Loss on revaluation of derivative liabilities ⁽ⁱⁱ⁾	85	—	85
Loss on revaluation of financial instruments ⁽ⁱⁱⁱ⁾	12,042	—	12,042
Impairment loss on other investments ^(vii)	23,350	—	23,350
Foreign currency transaction loss	7,324	—	7,324
Other, net ^(iv)	(1,114)	118	(996)
Restructuring costs ^(viii)	1,524	523	2,047
Share-based compensation ^(v)	8,756	13	8,769
Financial statement review costs ^(vi)	919	—	919
Inventory write-down ^(ix)	805	839	1,644
Adjusted EBITDA	<u>\$ (61,564)</u>	<u>\$ (2,182)</u>	<u>\$ (63,746)</u>

(in thousands of U.S. dollars)

	Three months ended December 31, 2023		
	Continuing Operations	Discontinued Operations	Total
Net loss	\$ (45,151)	\$ 124	\$ (45,027)
Interest income, net	(14,214)	(1)	(14,215)
Income tax expense (benefit)	(360)	—	(360)
Depreciation and amortization	1,177	—	1,177
EBITDA	(58,548)	123	(58,425)
Share of (income) loss from equity method investments	(752)	—	(752)
Impairment loss on long-lived assets ⁽ⁱ⁾	3,366	—	3,366
Loss on revaluation of derivative liabilities ⁽ⁱⁱ⁾	71	—	71
Loss on revaluation of financial instruments ⁽ⁱⁱⁱ⁾	4,186	—	4,186
Impairment loss on other investments ^(vii)	23,350	—	23,350
Foreign currency transaction loss	11,323	—	11,323
Other, net ^(iv)	(89)	(14)	(103)
Restructuring costs ^(viii)	101	(39)	62
Share-based compensation ^(v)	1,933	(4)	1,929
Financial statement review costs ^(vi)	180	—	180
Inventory write-down ^(ix)	89	—	89
Adjusted EBITDA	<u>\$ (14,790)</u>	<u>\$ 66</u>	<u>\$ (14,724)</u>

⁽ⁱ⁾ For the three months and year ended December 31, 2023, impairment loss on long-lived assets related to certain leased properties associated with the Company's former U.S. operations and impairment of the Company's CBCVA exclusive license under the collaboration and license agreement between Ginkgo and the Company. For the year ended December 31, 2022, impairment loss on long-lived assets related to the Company's decision to seek a sublease for leased office space in Toronto, Ontario, Canada during the first quarter of 2022.

⁽ⁱⁱ⁾ For the three months and years ended December 31, 2023 and 2022, the (gain) loss on revaluation of derivative liabilities represents the fair value changes on the derivative liabilities.

⁽ⁱⁱⁱ⁾ For the three months and years ended December 31, 2023 and 2022, (gain) loss on revaluation of financial instruments relates primarily to our unrealized holding gain on our mark-to-market investment in Vitura as well as revaluations of financial liabilities resulting from deferred share units granted to directors.

^(iv) For the three months and years ended December 31, 2023 and 2022, other, net primarily related to related to (gain) loss on disposal of assets.

^(v) For the three months and years ended December 31, 2023 and 2022, share-based compensation relates to the vesting expenses of share-based compensation awarded to employees under our share-based award plans.

^(vi) For the three months and years ended December 31, 2023 and 2022, financial statement review costs include costs related to the Restatements, costs related to the Company's responses to requests for information from various regulatory authorities relating to the Restatements, the costs related to the Settlement Order and Settlement Agreement and legal costs defending shareholder class action complaints brought against the Company as a result of the 2019 restatement.

^(vii) For the three months ended December 31, 2023 and years ended December 31, 2023 and 2022, impairment loss on other investments related to the PharmaCann Option for the difference between its fair value and carrying amount.

^(viii) For the three months and years ended December 31, 2023 and 2022, restructuring costs related to the employee-related severance costs and other restructuring costs associated with the Realignment.

^(ix) For the three months and year ended December 31, 2023, inventory write-downs from discontinued operations relate to product destruction and obsolescence associated with the exit of our U.S. operations and inventory write-downs from continuing operations relate to product destruction and obsolescence associated with the planned exit of Cronos Fermentation.

THANK YOU