
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

Form 6-K

**REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 OR 15d-16
UNDER THE SECURITIES EXCHANGE ACT OF 1934**

For the month of **April, 2021**.

Commission File Number: **001-40065**

IM Cannabis Corp.

(Exact Name of Registrant as Specified in Charter)

Kibbutz Glil Yam, Central District, Israel 4690500

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): _____

Note: Regulation S-T Rule 101(b)(1) only permits the submission in paper of a Form 6-K if submitted solely to provide an attached annual report to security holders.

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): _____

Note: Regulation S-T Rule 101(b)(7) only permits the submission in paper of a Form 6-K if submitted to furnish a report or other document that the registrant foreign private issuer must furnish and make public under the laws of the jurisdiction in which the registrant is incorporated, domiciled or legally organized (the registrant's "home country"), or under the rules of the home country exchange on which the registrant's securities are traded, as long as the report or other document is not a press release, is not required to be and has not been distributed to the registrant's security holders, and, if discussing a material event, has already been the subject of a Form 6-K submission or other Commission filing on EDGAR.

EXHIBIT INDEX

<u>99.1</u>	<u>Option Agreement dated April 2, 2019</u>
<u>99.2</u>	<u>License Agreement dated April 2, 2019</u>
<u>99.3</u>	<u>Services Agreement dated April 2, 2019</u>
<u>99.4</u>	<u>Press Release dated March 31, 2021</u>
<u>99.5</u>	<u>Press Release dated April 1, 2021</u>

OPTION AGREEMENT

This Option Agreement (the "**Agreement**") is made and entered into as of April 2nd 2019 (the "**Effective Date**"), by and among **I.M.C Holdings Ltd.**, a company duly incorporated under the laws of Israel, registration number XXXXXXXX, having its principal place of business at XXXXXX (the "**IMC**") and those certain persons listed in **Exhibit A** (each such person, a "**Grantor**" and collectively, the "**Grantors**"). IMC and each of the Grantors shall be referred to herein individually as a "**Party**" and collectively as the "**Parties**".

WHEREAS, the Grantors are the owners of an aggregate amount of 3,600 ordinary shares of **Focus Medical Herbs Ltd.**, a company duly incorporated under the laws of Israel, registration number XXXXXXXX, having its principal place of business at XXXXXXXXXXXXXXXXXXXX (the "**Company**"), which constitutes 74% of the issued and outstanding share capital of the Company, as set forth in **Exhibit A** (the "**Shares**");

WHEREAS, the Company holds a license for the growth and cultivation of cannabis for medical purposes, provided to it by the Israeli Ministry of Health (the "**MOH**" and the "**License**", respectively); and

WHEREAS, each of the Grantors wish to grant IMC and IMC agrees to receive from each Grantor an irrevocable option to purchase all of the respective Grantor's Shares as set forth in **Exhibit A**, under the terms and conditions specified under this Agreement.

NOW THEREFORE, the parties hereto have agreed as follows:

1. THE OPTION

- 1.1. Each Grantor hereby grants IMC an irrevocable option to purchase from the Grantor such amount of Shares of the Company, as set forth opposite to such Grantor's name in Exhibit A, which constitutes 100% of such Grantor's Shares in the Company (the "**Option**").
 - 1.2. The exercise of the Option by IMC shall be made in accordance with applicable laws and regulations, and shall be subject to the prior approval of the MOH, or any other Israeli authority that will be authorized to supervise and enforce the provisions of the License at the time of such exercise, to be provided in connection with the change in the holding structure of the Company (the "**Option**").
 - 1.3. Pursuant to the provision of the Option under this Agreement, the Grantors shall use their powers as shareholders of the Company, in order to appoint an additional member to the board of directors of the Company, the identity of whom shall be determined by IMC (the "**IMC Director**"). It is clarified that the appointment of the IMC Director shall be subject to the prior approval of the Israeli Ministry of Health, to the extent such will be required, and that the IMC Director shall be granted with limited authorization to vote at the meetings of the board of directors of the Company with respect to the following matters (in which an unanimous vote will be required): (1) (i) the termination of either one of: (A) the Services Agreement by and between the Company and IMC dated as of April 2nd, 2019; and (B) the License Agreement by and between the Company and IMC dated as of April 2nd, 2019; (ii) the consummation of a Deemed Liquidation Event (as defined hereunder); and (iii) issuance or allotment of any New Securities (as defined hereunder).
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1.3.1. As used herein, the term "**Deemed Liquidation Event**" shall mean:

- 1.3.1.1. the sale, lease, or other disposal, in a single transaction or series of related transactions, by the Company or any subsidiary of the Company (if any) of all or substantially all of the assets of the Company; or
- 1.3.1.2. any merger, consolidation, or sale of all or substantially all of the Company's share capital; or
- 1.3.1.3. the effectuation by the Company of a transaction, or a series of related transactions in which the Company's shareholders immediately prior to such transaction hold 50% or less of the voting power of the surviving or acquiring entity or any transactions or series of transactions in which a person or entity or group acquires more than 50% of the share capital of the Company, other than issuance of shares solely with respect to bona fide capital investments in the Company; or
- 1.3.1.4. any transfer, sale or other disposition, or grant of a perpetual, worldwide and/or exclusive license, in a single transaction or series of related transactions, by the Company or any subsidiary of the Company, to all or substantially all of the intellectual property rights, other than to a wholly owned subsidiary of the Company which remains wholly-owned by the Company following receipt of such intellectual property rights.

1.3.2. "**New Securities**" shall mean all ordinary shares and/or convertible securities issued and/or options to purchase ordinary shares of the Company, issued by the Company.

- 1.4. The exercise price of the option will be at the same price per share as the final purchase price in the transaction between IMC and the Grantors (details of this transaction set in the SPA, dated as of April 2nd, 2019) (the "**Exercise Price**").
- 1.5. The Option shall expire on the 10th anniversary of this Agreement.
- 1.6. The Option shall be considered as duly exercised upon full payment of the Exercise Price, together with a delivery of an applicable exercise notice to each Grantor by IMC (the "**Exercise Notice**").
- 1.7. Upon receipt of the Exercise Price together with an applicable Exercise Notice by each Grantor:
 - 1.7.1. Each Grantor shall notify the Company with respect to the exercise of the Option;
 - 1.7.2. IMC and each Grantor shall sign a share transfer deed in the form attached hereto as **Exhibit B**; and
 - 1.7.3. The Company shall file a report with the Israeli Companies Registrar with respect to the share transfer.
- 1.8. Each Grantor hereby agrees not to sell, pledge, transfer or otherwise dispose any of his Shares, during the term of this Agreement.

2. CONFIDENTIALITY

Each Party recognizes that this Agreement is confidential and agrees that it will not, without the prior written consent of the other Party, use in any way for its own account or the account of any third party, nor disclose or allow access to any third party, the content of this Agreement and/or any confidential information revealed to it, in writing, orally or otherwise, by the other Party. This Section shall not apply to any confidential information, which is or becomes generally known and available in the public domain through no breach of this Agreement.

3. MISCELLANEOUS

- 3.1. This Agreement is entered into on the Effective Date and shall remain in full force and affect for a term of 10 years as of the Effective Date.
- 3.2. The preamble and the exhibits attached hereto constitute an integral part of the Agreement.
- 3.3. The section headings are for convenience only and shall not be used in the interpretation of the Agreement.
- 3.4. Neither party shall have the right to assign its rights and obligations under this Agreement unless with the prior written consent of the other party, provided that IMC shall have the right to assign its rights and obligations under this Agreement to any of its respective affiliates.
- 3.5. This Agreement (including the documents and the instruments referred to herein) constitutes the entire agreement and supersedes all prior agreements and understandings, both written and oral, among the Parties with respect to the subject matter hereof.
- 3.6. If one or more provisions of this Agreement are held to be unenforceable under applicable law, the Parties agree to renegotiate such provision in good faith, in order to maintain the economic position enjoyed by each party as close as possible to that under the provision rendered unenforceable. In the event that the Parties cannot reach a mutually agreeable and enforceable replacement for such provision, then: (a) such provision shall be excluded from this Agreement; (b) the balance of the Agreement shall be interpreted as if such provision were so excluded; and (c) the balance of the Agreement shall be enforceable in accordance with its terms.
- 3.7. This Agreement and any instrument or agreement required hereunder shall be governed by and construed under the laws of the state of Israel, and the parties submit to the exclusive jurisdiction of the courts in Tel-Aviv, Israel. Any term of this Agreement may be amended or waived only with the written consent of the Parties, or their respective successors and assigns.
- 3.8. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument.
- 3.9. Each Party will do, execute, acknowledge and deliver all and every such further acts, deeds, conveyances, assignments, notices, transfers and assurances as may be reasonably required by the other Party for carrying out and give full effect to the provisions of this Agreement and the intentions of the parties as reflected thereby or facilitating the consummation of this Agreement.

[Signature Page to follow]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first written above.

I.M.C Holdings Ltd.

Signature: "*Oren Shuster*" _____

By: Oren Shuster _____

Title: Chief Executive Officer _____

The Grantors:

Oren Shuster

Signature: "*Oren Shuster*" _____

Rafael Gabai

Signature: "*Rafael Gabay*" _____

Agreed and accepted by: Rafael Gabay

Focus Medical Herbs Ltd.

Signature: "*Oren Shuster*" _____

By: Oren Shuster _____

Title: CEO _____

Exhibit A

<u>Grantor's Name</u>	<u>ID</u>	<u>Number of Shares</u>
Oren Shuster	xxxxxxx	1,800
Rafi Gabai	xxxxxxx	1,800
Total		3,600

Exhibit B

Form of Share Transfer Deed

The undersigned, Oren Shuster, Israeli ID No. XXXXX, and Rafael Gabai, Israeli ID No. XXXXX (the "Transferors"), hereby transfers to **I.M.C Holdings Ltd.**, a company duly incorporated under the laws of Israel, registration number XXXXX, having its principal offices at XXXXX (the "Transferee"), 3600 ordinary shares of **Focus Medical Herbs Ltd.**, a company duly incorporated under the laws of Israel, registration number XXXXX, having its principal place of business at XXXXX (the "Shares") for consideration agreed by the parties in an agreement signed between the parties.

The Transferee hereby accepts the transfer of the Shares as aforesaid.

IN WITNESS HEREOF, the Transferor and the Transferee have executed this instrument as of the April 2nd, 2019.

"Oren Shuster"

I.M.C Holdings Ltd

By: Oren Shuster

Title: CEO

"Oren Shuster"

Oren Shuster

"Rafael Gabay"

Rafael Gabi

LICENSE AGREEMENT

THIS AGREEMENT (the "**Agreement** ") is dated as of April 2nd, 2019 and shall commence and become effective as of and subject to the approval of the transactions contemplated hereby by the MOH in light of the change in the holding structure of the Company (the "**Effective Date**"), and entered into by and between **I.M.C. Holdings Ltd.**, a company incorporated under the laws of the State of Israel, located at XXXXXXXXXX (the "**Company**") and **Focus Medical Herbs Ltd.**, a company incorporated under the laws of the State of Israel, located at XXXXXXXXXX (the "**Licensee**");

The above parties shall be individually referred to as a "**Party**" and collectively as the "**Parties**".

WITNESSETH

- Whereas The Company has developed and otherwise owns and/or licenses the "IMC" brand name, used with respect to a line of cannabis breeds grown for the medical cannabis industry and medical cannabis products, as well as certain technology, know-how and proprietary information in connection with the medical cannabis industry, all as specified in **Annex A** to this Agreement (collectively, the "**Technology, and Know-How**");
- Whereas the Licensee holds a license for the growth and cultivation of cannabis, provided to it by the Israeli Ministry of Health (**MOH**) allowing it to grow and cultivate cannabis for medical usage; and
- Whereas the Licensee wishes to use the Company's Trademark, Technology and Know-How in a manner provided under this Agreement and for that purpose obtain a license from the Company for such use in the State of Israel (the "**Territory**"), all under the terms and conditions of this Agreement.

Now Therefore, in consideration of the mutual covenants and obligations contained herein, the Parties hereto have agreed as follows:

1. General

- 1.1. The preamble and appendices hereto are an integral and binding part of this Agreement.
- 1.2. Titles and section headings are for convenience purposes only, and shall not be used for interpretation of the provisions of this Agreement.

2. The License

- 2.1. The License. The Company hereby grants the Licensee a limited, non-exclusive, non-assignable license to use the Company's Trademark (as defined below), Technology and Know-How for the purposes of cultivation and growth of the cannabis plants in the Territory and for the sale of any plant and/or product produced by the Licensee, either alone or together with other sub-contractors to be engaged by the Licensee, all in accordance with the terms and conditions of the license provided to the Licensee by the MOH, applicable laws and regulations, and subject to the terms of this Agreement (the "**License**").
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- 2.2. Maintenance and Support Services. The Company shall provide maintenance and support services, to the extent such services shall not require the holding of a license and will not be regulated by the MOH, to ensure that the machinery used under the License shall work continuously, regularly and properly. Without derogating from the foregoing, the Company shall fix, at its own expense, any bugs or malfunctions whenever occur (the "**Maintenance Services**").

3. CONSIDERATION

- 3.1. In consideration for the License and the Maintenance Services, the Licensee shall pay the Company the consideration specified in Annex B (the "**Consideration**"). The Parties shall on a quarterly basis to discuss the consideration specified in Annex B. The Consideration may be adjusted from time to time by mutual written agreement of the Parties, taking into account any changes in the scope or nature of the License granted hereunder.
- 3.2. Payment. Each calendar quarter (i.e. three months) or with respect to any part thereof (as applicable), or on such other intervals as shall be agreed by the Parties, the Company will invoice Licensee for the Consideration and other amounts payable pursuant to this Agreement. Payment will be made within 30 days after receipt of each such invoice. VAT, to the extent applicable, shall be added to the invoices. The final settlement of the Consideration due for a fiscal year will be on an annual basis at the end of the respective fiscal year and any adjustment payments and corresponding tax invoice, if required, shall be made and issued accordingly .
- 3.3. Taxes. Each Party shall be responsible for all taxes, including but not limited to all sales, use, value added, duties and other governmental assessments, and similar taxes, as well as withholding taxes, applicable to such Party in relation to the Consideration payable hereunder.

4. RELATIONSHIP OF THE PARTIES

- 4.1. The Parties are independent contractors. The Parties do not intend, and this Agreement and the performance thereof shall not be construed to give effect to employment, partnership, joint venture or agency relations between the Parties or between the Company and any person engaged by the Licensee. The Licensee is fully responsible for and will make all payments due to and for its employees and sub-contractors. The Licensee shall bear and pay all its costs and expenses incurred in the course of its activities under this Agreement.
- 4.2. Neither Party is authorized to obligate the other Party in any way and/or create any commitments by which such Party may be bound.

5. CONFIDENTIALITY OBLIGATIONS

- 5.1. Each Party ("**Receiving Party**") shall maintain in confidence all commercial and technical information as well as information on marketing, financial, administrative and management subjects related to the other Party, (and when Licensee is the Receiving Party, also with respect to the Technology and Know How), and to any other matter related thereto, including but not limited to all copyrights and all other rights related thereto, as well as information of third parties with whom such Party has business relations (collectively, the "**Information**"). For the purpose of this Agreement, the term "Information" shall include commercial, technical, marketing, financial, administrative and management subjects, and shall not include information which (i) is or becomes public knowledge through no wrongful act on the part of the Receiving Party and the people acting on its behalf; (ii) becomes available to the Receiving Party on a non-confidential basis from a source other than the other Party, provided that such source is not known by Receiving Party to be bound by a confidentiality agreement with an obligation of secrecy to the other Party or another third party.
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- 5.2. The Parties shall ensure that none of their employees, officers, directors or agents, will be engaged in any activity in connection with this Agreement, unless such employees, officers, directors or agents have signed a confidentiality agreement, in a commercially reasonable form satisfactory to the other Party.
- 5.3. Without limitation to the foregoing, each Party will not use and/or assign, sell, license, grant, dispose of or otherwise transfer any part of the Information, nor disclose or make it available to others, nor allow or assist others to make any use thereof, unless in the framework of the performance of the Parties' duties hereunder.
- 5.4. Upon termination of the Agreement, the Receiving Party shall immediately return to the other Party all materials of any kind (whether in written or electronic form, computer files or otherwise) concerning the Information (and when Licensee is the Receiving Party, also with respect to the Technology and Know-How), including all copies thereof, which are in its possession, the possession of its employees or officers, or anyone on their behalf, and shall not retain any copies of such materials.
- 5.5. The Receiving Party may disclose Information where disclosure is required by law or court order, provided that such Party uses reasonable efforts to give the other Party prior notice of such required disclosure if such prior notice is permitted by law.

6. OWNERSHIP OF INTELLECTUAL PROPERTY

- 6.1. Company represents and warrants, with respect to the intellectual property rights related to the Technology and Know-how (the "**Company IP**"), that it owns and/or controls the Company IP provided and has the right to license the Technology and Know-how to the Licensee; the Technology and Know-how do not infringe upon or violate any copyright, patent, trademark, service mark or any common law or any other rights of any third party.
 - 6.2. Ownership. All intellectual property rights relating to the Technology and Know how, whether currently existing or developed during the Term of this Agreement, are and shall at all times remain the sole and exclusive property of Company. No license, right, title or interest of any type or nature is either granted or implied to Licensee, except as expressly stated in this Agreement, and Company shall maintain at all times the foregoing rights as well as any other intellectual property rights, including but not limited to any and all copyrights, patents, trademarks and trade secrets in its industrial and intellectual property.
 - 6.3. Trademark and Copyright: Licensee shall cooperate in good faith in the Company's efforts to protect the Copyright (as defined below), Trademark (as defined below) and similar rights in the Company's trading name, logo products and work-products, including, without limitation, assisting the Company to pursue infringers of those rights at the Company's expense. "**Copyright**" shall mean the copyrights and design patents, and any renewals or extensions thereof, in and to the above in any medium now known or hereafter devised including, without limitation, motion pictures and other audiovisual works; electronic, interactive multimedia and on-line works; literary, musical, dramatic, pictorial, graphic, architectural and sculptural works; industrial designs; sound recordings; and any and all ancillary or subsidiary works based thereon. "**Trademark**" shall mean the words, names, titles, symbols, logos, designs, phrases, trademarks, service marks, collective marks, certification marks, trade names and trade dress associated with the Company and its products, and any combination of the foregoing, now, heretofore or hereafter in use, whether registered, pending registration or subsisting at common law.
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7. TERM AND TERMINATION

- 7.1. The term of this Agreement shall be 3 years commencing on the Effective Date. The Agreement shall be automatically renewed for additional terms of 1 year each unless otherwise mutually agreed by the Parties in writing (the "**Term**").
- 7.2. Each Party may terminate the Agreement immediately upon the occurrence of any of the following events: (1) material breach by the other Party, which is not cured or waived within 30 days following the receipt by the breaching party of a written notice from the other Party to that effect; (2) if a Party becomes insolvent or admits in writing its inability to pay debts as they mature, or makes an assignment for the benefit of creditors; (3) if a petition for liquidation or any petition for the appointment of a liquidator, trustee or receiver, or any other officer of the court of law under the provisions of applicable laws, receivership statute, or the like, as they now exist, or as they may be amended, is filed by a Party; or (4) if such petition is filed by any third party, or an application for a receiver is made by anyone and such petition application is not resolved favorably within sixty (60) days.

8. EXCLUSIVITY

The Licensee hereby commits to engage in this Agreement on an exclusive basis and not to seek or engage with any third parties for the purchase of any other licenses with respect to the Licensees business operations, without obtaining the Company' s prior writer consent.

9. REPRESENTATIONS AND OBLIGATIONS

- 9.1. Both Parties have the full right, authority and power to enter into this Agreement and to perform all their obligations hereunder and the execution, delivery, and performance of this Agreement by such Party will not violate the provisions of any agreement to which it is a party.
- 9.2. Both Parties undertake to employ sufficient personnel, including technical personnel, and use adequate means in order to perform their respective duties under this agreement.
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Both Parties shall perform their duties under this Agreement in a professional manner, in accordance with any laws, rules or regulations of any governmental entity.

10. MISCELLANEOUS

- 10.1. Survival. Obligations under Sections 4-9 shall survive the expiration or termination of this Agreement for any reason.
 - 10.2. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and enforceable against the Parties actually executing such counterpart and all of which together shall constitute one and the same instrument.
 - 10.3. Severability. In the event any provision of this Agreement is held by a court of competent jurisdiction to be unenforceable under applicable law, then such provision shall be excluded from this Agreement and the remainder of this Agreement shall be interpreted as if such provision were so excluded and shall be enforceable in accordance with its terms, provided, however, that in such event this Agreement shall be interpreted so as to give effect, to the greatest extent consistent with and permitted by applicable law, to the meaning and intention of the excluded provision as determined by such court of competent jurisdiction.
 - 10.4. Governing Law: Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of the State of Israel, without regard to the conflict of law provisions thereof. Any dispute arising under or in relation to this Agreement shall be resolved exclusively by arbitration to be held in Tel Aviv, Israel, before a single arbitrator who will be appointed by the mutual consent of the Parties. The arbitrator shall not be bound by any procedural laws, but shall be obliged to provide reasons for its decision
 - 10.5. Successors and Assigns: Assignment. The provisions hereof shall inure to the benefit of, and be binding upon, the successors, assigns, heirs, executors, and administrators of the Parties hereto. Neither Party may assign, sell, license, grant, dispose or otherwise transfer any of its rights and obligations under this Agreement, or any part thereof, unless permitted in writing by the other Party; provided, however, that the Company may assign its rights and obligations under this Agreement to any third party, in the course of a merger or acquisition or similar transaction involving the Company.
 - 10.6. Entire Agreement; Amendment and Waiver. This Agreement and the Appendices hereto constitute the full and entire understanding and agreement between the Parties with regard to the subject matters hereof and thereof. Any term of this Agreement may be amended and the observance of any term hereof may be waived (either prospectively or retroactively and either generally or in a particular instance) only with the written consent of the Parties hereto.
 - 10.7. Notices, Etc. All notices and other communications required or permitted hereunder to be given to a Party to this Agreement shall be in writing and shall be mailed by registered or certified mail, postage prepaid, by email, or otherwise delivered by hand or by messenger, addressed to such Party's address as in the preface to this Agreement, or, to such other address with respect to a Party as such Party shall notify the other Party in writing in accordance with the provisions of this Section. Any notice sent in accordance with this Section shall be effective (i) if mailed by registered mail, seven (7) business days after mailing, (ii) if sent by messenger, upon delivery, and (iii) if sent via email, on the first business day following transmission and electronic confirmation of receipt.
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10.8. Delays or Omissions. No delay or omission to exercise any right, power, or remedy accruing to any Party upon any breach or default under this Agreement, shall be deemed a waiver of any other breach or default therefore or thereafter occurring. Any waiver, permit, consent, or approval of any kind or character on the part of any Party of any breach or default under this Agreement, or any waiver on the part of any Party of any provisions or conditions of this Agreement, must be in writing and shall be effective only to the extent specifically set forth in such writing. All remedies, either under this Agreement or by law or otherwise afforded to any of the Parties, shall be cumulative and not alternative.

AND IN WITNESS HEREOF, the Parties sign this Agreement,

I.M.C Holdings Ltd.

BY: "Oren Shuster"

TITLE: CEO

Focus Medical Herbs Ltd.

BY: "Oren Shuster"

TITLE: CEO

ANNEX A

Technology and Know - How - Description

1. Machinery developed by the Company which maximizes the production of the medical cannabis growers by minimizing the human intervention in the post-harvest process, and any process in connection therewith;
 2. The IMC Trademark - a known trademark developed and maintained by the Company used to brand medical cannabis products.
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ANNEX B

Consideration

For using the IMC Technology and Know-How and receiving the Maintenance Services, the Licensee shall pay the Company, on a quarterly basis (unless agreed otherwise by the Parties) an amount equal to 25% of the Licensee's revenues;

The Consideration shall be paid by the Licensee to the Company in accordance with the provisions of Section 3 to the Agreement.

Services Agreement

This Services Agreement ("**Agreement**") is dated as of April 2nd, 2019 and shall commence and become effective as of and subject to the approval of the transactions contemplated hereby by the MOH in light of the change in the holding structure of the Company (the "**Effective Date**") by and between I.M.C Holdings Ltd. a company incorporated under the laws of the State of Israel ("**IMC**") and Focus Medical Herbs Ltd., a company incorporated under the laws of the State of Israel ("**Focus**"). Each of IMC and Focus is referred to herein as a "**Party**" and they are collectively referred to herein as, "**Parties**".

Focus desires to obtain from IMC certain services which are included, inter alia, in Exhibit A attached hereto and any other services the Parties may agree upon from time to time (the "**Services**"), and IMC desires to provide such Services to Focus, all under the terms and conditions of this Agreement.

1. **Interpretation; Definitions**

The preamble of this Agreement constitutes an integral part hereof. The headings of the sections and subsections of this Agreement are for convenience of reference only and are not to be considered in construing this Agreement.

2. **The Services**

- 2.1. During the Term (as defined in Section 6) of this Agreement, Focus may, from time to time, at its discretion, request the performance by IMC of certain Services. IMC will dedicate appropriate attention, time and effort to Focus in connection with the Services. It is agreed and understood, that IMC may also engage in other activities or render services to any third party.
- 2.2. In consideration for the Services, Focus shall pay IMC such amount as set forth in Exhibit A (the "**Consideration**"), which amount reflects the fair market value of the Services on the basis of an arms' length transaction. The Consideration shall be paid against valid invoices furnished by IMC to Focus on a periodical basis, as shall be agreed between the Parties from time to time, which invoice will include reasonable details of the Consideration invoiced. Focus will pay IMC within 10 days of receipt of an invoice conforming to this provision. Late payments will accrue interest at the rate of 5% per annum.
- 2.3. The Parties shall meet on a quarterly basis to discuss the Consideration specified in Exhibit A. The Consideration may be adjusted from time to time by mutual written agreement of the Parties, taking into account any changes in the scope or nature of the Services provided hereunder.
- 2.4. If applicable, each invoice will state separately all applicable taxes imposed on Services invoiced to Focus by IMC, and all such taxes will be paid by Focus to IMC.

3. **Quality of Service**

IMC represents, warrants and covenants that (a) the Services will be performed in a timely, competent and professional manner in accordance with the standards and practices commonly expected of qualified and experienced providers of similar services, (b) the Services will be performed in compliance with all applicable laws, rules, ordinances and regulations that are now applicable to IMC or the Services, whether federal, provincial, municipal or otherwise, (c) the Services will be performed solely by IMC, and (d) IMC will at all times act in the best interests of Focus and will perform the Services in a faithful manner to the best of IMC's ability.

4. **Records**

- 4.1. **Recordkeeping**. IMC will keep for at least five years from the end of the calendar year to which they pertain complete and accurate records of Services and Consideration in sufficient detail to allow the accuracy of the payments hereunder to be confirmed.
 - 4.2. **Audit**. During the Term and for a period of five years thereafter, at the request of Focus, upon at least 30 days' prior written notice from Focus, IMC will permit Focus or an agent thereof to inspect during regular business hours the relevant records required to be maintained by IMC hereunder. If any review reveals an error in the calculation of Consideration hereunder, IMC will promptly refund Focus, or Focus will pay IMC, as the case may be, the amount of the discrepancy.
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5. **Confidentiality Obligations**

- 5.1. Each Party ("**Receiving Party**") shall maintain in confidence all commercial and technical information as well as information on marketing, financial, administrative and management subjects related to the other Party, and to any other matter related thereto, including but not limited to all copyrights and all other rights related thereto, as well as information of third parties with whom such Party has business relations (collectively, the "**Information**"). For the purpose of this Agreement, the term "**Information**" shall include commercial, technical, marketing, financial, administrative and management subjects, and shall not include information which (i) is or becomes public knowledge through no wrongful act on the part of the Receiving Party and the people acting on its behalf; (ii) becomes available to the Receiving Party on a non-confidential basis from a source other than the other Party, provided that such source is not known by Receiving Party to be bound by a confidentiality agreement with an obligation of secrecy to the other Party or another third party.
- 5.2. The Parties shall ensure that none of their employees, officers, directors or agents, will be engaged in any activity in connection with this Agreement, unless such employees, officers, directors or agents have signed a confidentiality agreement, in a commercially reasonable form satisfactory to the other Party.
- 5.3. Without limitation to the foregoing, each Party will not use and/or assign, sell, license, grant, dispose of or otherwise transfer any part of the Information, nor disclose or make it available to others, nor allow or assist others to make any use thereof, unless in the framework of the performance of the Parties' duties hereunder.
- 5.4. Upon termination of the Agreement, the Receiving Party shall immediately return to the other Party all materials of any kind (whether in written or electronic form, computer files or otherwise) concerning the Information, including all copies thereof, which are in its possession, the possession of its employees or officers, or anyone on their behalf, and shall not retain any copies of such materials.
- 5.5. The Receiving Party may disclose Information where disclosure is required by law or court order, provided that such Party uses reasonable efforts to give the other Party prior notice of such required disclosure if such prior notice is permitted by law.
- 5.6. Notwithstanding anything else to the contrary herein, the obligations under this Section 5 shall survive the termination of this Agreement.

6. **Term and Termination**

- 6.1. The term of this Agreement shall be 3 years commencing on the Effective Date and shall be automatically renewed for additional terms of 1 year each unless otherwise mutually agreed by the Parties in writing (the "**Term**").
 - 6.2. Each Party may terminate the Agreement immediately upon the occurrence of any of the following events: (1) material breach by the other Party, which is not cured or waived within 30 days following the receipt by the breaching party of a written notice from the other Party to that effect; (2) if a Party becomes insolvent or admits in writing its inability to pay debts as they mature, or makes an assignment for the benefit of creditors; (3) if a petition for liquidation or any petition for the appointment of a liquidator, trustee or receiver, or any other officer of the court of law under the provisions of applicable laws, receivership statute, or the like, as they now exist, or as they may be amended, is filed by a Party; or (4) if such petition is filed by any third party, or an application for a receiver is made by anyone and such petition application is not resolved favorably within sixty (60) days.
 - 6.3. Sections **מקור ההפניה לא נמצא** , 5, 6 and 7 shall survive any termination or expiration of this Agreement.
-

7. **Miscellaneous**

- 7.1. **Non Assignment:** IMC shall not assign, subcontract or delegate any of its obligations and rights under and according to this Agreement to any other person without Focus's prior written consent and any assignment without such prior written consent shall be null and void.
- 7.2. **No Authority:** Without affecting any other agreement between Focus and IMC, nothing under this Agreement will give to IMC any authority to legally bind Focus or its affiliates, and IMC will not provide any person any representations, undertaking or warranties of any nature whatsoever, which may tend to involve the responsibility or liability of Focus or its affiliates.
- 7.3. **Parties' Relationship:** The Parties' relationship hereunder shall be that of a principal and an independent contractor, where Focus is the principal and IMC is the independent contractor, and nothing herein shall be construed as establishing an employment, agency, joint venture or partnership relationship between the Parties.
- 7.4. **Entire Agreement:** This Agreement constitutes the entire agreement between the Parties with respect to its subject matter, and supersedes and cancels all prior agreements to the subject hereof, if any, between the Parties. No amendment to this Agreement shall be effective unless it is in writing and signed by a duly authorized representative of each Party.
- 7.5. **Severability:** If any provision of this Agreement is held by a court of competent jurisdiction to be unenforceable under applicable law, then such provision shall be excluded from this Agreement and the remainder of this Agreement shall be interpreted as if such provision were so excluded and shall be enforceable in accordance with its terms; provided, however, that in such event this Agreement shall be interpreted so as to give effect, to the greatest extent consistent with and permitted by applicable law, to the meaning and intention of the excluded provision as determined by such court of competent jurisdiction.
- 7.6. **No Waiver:** No failure or delay on the part of any Party hereto in exercising any right, power or remedy shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy. Any waiver granted must be in writing and shall be valid only in the specific instance in which given.
- 7.7. **Governing Law and Jurisdiction:** This Agreement shall be governed by and interpreted in accordance with the laws of the State of Israel, without giving effect to the rules respecting conflict of laws. The competent courts in Tel Aviv shall have sole and exclusive jurisdiction over any dispute between the parties hereto.
- 7.8. **Notices:** All notices hereunder will be in writing and shall be given by and be deemed received by the receiving party (i) if sent by a delivery service, on the date confirmed as the actual date of delivery by such service; (ii) if sent by registered mail, return receipt requested, within 3 days of mailing; or (iii) if sent by electronic means (fax, email etc.), on the next business day after transmission.

IN WITNESS WHEREOF the parties have signed this Agreement as of the date hereinabove set forth.

I.M.C Holdings Ltd.

By: "Oren Shuster"

Name: Oren Shuster

Title: Chief Executive Officer

Focus Medical Herbs Ltd.

By: "Oren Shuster"

Name: Oren Shuster

Title: Chief Executive Officer

Exhibit A

The Services and their Consideration

In consideration for the following Services, Focus shall pay IMC, on a quarterly basis (unless agreed otherwise by the Parties) an amount equal to cost + 25 according to arm's length as will be determined from time to time.

Services:

- 1) Business development and locating worldwide collaborations
 - 2) Financial analysis services
 - 3) Assisting in innovation projects and locating potential partners and service providers for such projects.
-



IMC Announces Filing of Final Short Form Base Shelf Prospectus

Toronto, Canada; Glib Yam, Israel - March 31, 2021 - IM Cannabis Corp. (the "**Company**" or "**IMC**") (CSE: IMCC, NASDAQ: IMCC), a multi-country operator ("**MCO**") in the medical cannabis sector with operations in Israel, Germany and Canada, is pleased to announce that it has filed a final short form base shelf prospectus (the "**Shelf Prospectus**") with the securities commissions or similar securities regulatory authorities in each of the provinces and territories of Canada and a corresponding shelf registration statement on Form F-10 (the "**Registration Statement**") with the United States Securities and Exchange Commission (the "**SEC**") under the Multijurisdictional Disclosure System established between Canada and the United States.

The Shelf Prospectus and Registration Statement, when declared effective, will allow the Company to offer up to an aggregate of US\$250,000,000 (or its equivalent in other currencies) of common shares, warrants, subscription receipts, debt securities, units (collectively, the "**Securities**"), or any combination of such Securities from time to time, during the 25-month period that the Shelf Prospectus remains effective. The specific terms of any offering under the Shelf Prospectus and the intended use of the net proceeds will be established in a prospectus supplement (a "**Prospectus Supplement**"), which will be filed with the applicable Canadian securities regulatory authorities and the SEC in connection with any such offering.

The Company may also use the Shelf Prospectus in connection with an "at-the-market distribution" (as defined in National Instrument 44-102 *Shelf Distributions*) in accordance with applicable securities regulations, which would permit eligible Securities to be sold on behalf of the Company through the Canadian Securities Exchange ("**CSE**") or the NASDAQ Capital Market ("**NASDAQ**") as further described in the applicable prospectus supplement. Unless otherwise specified in a prospectus supplement, the Company may use the net proceeds from the sale of Securities for general corporate and working capital purposes, capital expenditures and future acquisitions, among other potential uses.

This news release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these Securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such jurisdiction.

A copy of the Shelf Prospectus can be found on SEDAR at www.sedar.com and a copy of the Registration Statement can be found on EDGAR at www.sec.gov.

About IM Cannabis Corp.

IMC is an MCO in the cannabis sector headquartered in Israel and with operations in Israel, Germany and Canada. Over the past decade, the Company believes that the IMC brand has become synonymous with quality and consistency in the Israeli medical cannabis market. The Company has also expanded its business to offer intellectual property-related services to the medical cannabis industry.

In Europe, IMC operates through Adjupharm GmbH ("**Adjupharm**"), a German-based subsidiary and EU-GMP certified medical cannabis distributor. IMC's European presence is augmented by strategic alliances with various pan-European EU GMP cultivators and distributors to capitalize on the increased demand for medical cannabis products in Europe and to bring the IMC brand and its product portfolio to European patients.

In Canada, IMC operates through Trichome JWC Acquisition Corp. d/b/a JWC ("**JWC**"). JWC is a licensed producer located in Kitchener, Ontario. JWC sells cannabis flower, pre-rolls, hash and kief under the JWC and Wagners brands. JWC operates with the highest standards for providing clean, consistent, aeroponically-grown premium cannabis products to medical patients and the adult-use market throughout Canada and the world.

Disclaimer for Forward-Looking Statements

This press release contains "forward-looking information" and "forward-looking statements" within the meaning of applicable Canadian and United States securities laws (collectively, "**forward-looking information**"). Forward-looking information are often, but not always, identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect", "likely" and "intend" and statements that an event or result "may", "will", "should", "could" or "might" occur or be achieved and other similar expressions. Forward-looking information in this press release includes, without limitation, statements relating to the effects of the Registration Statement when declared effective; the offer of Securities during the effective period of the Shelf Prospectus, including the filing of a Prospectus Supplement and the use of the Shelf Prospectus in connection with an "at-the-market distribution"; the Company's planned use of net proceeds from the sale of Securities under the Shelf Prospectus; and the Company's business and strategic plans.

Forward-looking information is based on assumptions that may prove to be incorrect, including but not limited to the ability of the Company to execute its business plan, the continued growth of the medical and/or recreational cannabis markets in the countries in which the Company operates or intends to operate, the Company maintaining "de facto" control over Focus Medical Herbs Ltd. ("**Focus Medical**"), in accordance with IFRS 10, Focus Medical maintaining its existing Israeli medical cannabis propagation and cultivation licenses and the expected decriminalization and/or legalization of adult-use recreational cannabis in Israel. The Company considers these assumptions to be reasonable in the circumstances. However, forward-looking information is subject to business and economic risks and uncertainties and other factors that could cause actual results of operations to differ materially from those expressed or implied in the forward-looking information. Such risks include, without limitation: the failure of the Company to obtain the necessary regulatory approvals for the Registration Statement to be declared effective on a timely basis, if at all; the lack of financing opportunities or favourable market conditions to conduct offerings pursuant to the Shelf Prospectus and, when declared effective, the Registration Statement; the Company's inability to capture the benefits associated with its acquisition of Trichome; unexpected disruptions to the operations and businesses of the Company and/or Focus Medical as a result of the COVID-19 global pandemic or other disease outbreaks including a resurgence in the cases of COVID-19; the Israeli government deciding to delay or abandon the decriminalization and/or legalization of adult-use recreational cannabis; any bill relating to the decriminalization and/or legalization of adult-use recreational cannabis in Israel being rejected by Israeli parliament; any change in the political environment which would negatively affect the decriminalization and/or legalization of adult-use recreational cannabis in Israel; engaging in activities considered illegal under United States federal law; the ability of the Company to comply with applicable government regulations in a highly regulated industry; unexpected changes in governmental policies and regulations affecting the production, distribution, manufacture or use of medical cannabis in Israel, Germany, or any other foreign jurisdictions in which the Company intends to operate; unexpected changes in governmental policies and regulations affecting the production, distribution, manufacture or use of adult-use recreational cannabis in Canada; any failure of the Company to maintain "de facto" control over Focus Medical in accordance with IFRS 10; the Company and Focus Medical having to rely on third party cannabis producers to supply the Adjupharm and Focus Medical with product to successfully fulfill previously announced sales agreements and purchase commitments; the ability of Focus Medical and Adjupharm to deliver on their sales commitments; the risk that regulatory authorities in Israel may view the Company as the deemed owner of more than 5% of Focus Medical in contravention to Israeli rules restricting the ownership of Israeli cannabis cultivators and thereby jeopardizing Focus Medical's cannabis propagation or cultivation licenses; any unexpected failure of Focus Medical to renew its propagation or cultivation licenses with the Israeli Ministry of Health; any unexpected failure of Focus Medical to maintain any of its commercial facilities or land lease agreements; any unexpected failure of Adjupharm to renew its production, wholesale, narcotics handling or import/export licenses, permits, certificates or approvals; the Company's reliance on management; the lack of additional merger and acquisition opportunities; inconsistent public opinion and perception regarding the use of cannabis; perceived effects of medical cannabis products; the Company's ability to maintain or improve the brand position of the IMC brand in Israel's medical cannabis market; political instability and conflict in the Middle East; adverse market conditions; the inherent uncertainty of production and cost estimates and the potential for unexpected costs and expenses; costs of inputs; crop failures; litigation; currency fluctuations; competition; industry consolidation; failure to meet NASDAQ's or CSE's continued listing requirements; and loss of key management and/or employees.

For more information:

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IM Cannabis to Acquire MYM Nutraceuticals and Its Licensed Producer Subsidiary, Highland Grow

- *Highland Grow is currently profitable on an EBITDA basis and the Transaction is expected to be immediately accretive to IMC*
- *Highland Grow is expected to generate net revenue of \$29 million and \$38 million and gross margins of 34% to 36% in 2021 and 2022, respectively^[1]*
- *Purchase price implies 2.3x net revenue and 6.7x EBITDA in 2022 with synergies*
- *MYM shareholders will receive 0.022 IMC shares for each MYM share, representing a price of \$0.195 based on respective closing prices on March 31, 2021*
- *Super premium positioning, complementary brands, enhanced distribution and export opportunities to Israel and European markets*

TORONTO and VANCOUVER Canada and GLIL YAM, ISRAEL / ACCESSWIRE / April 1, 2021 / IM Cannabis Corp. (the "Company" or "IMC") (NASDAQ: IMCC) (CSE:IMCC), a multi-country operator ("MCO") in the medical and adult-use recreational cannabis sector with operations in Israel, Germany and Canada is pleased to announce that it has entered into a definitive agreement (the "**Arrangement Agreement**") to acquire MYM Nutraceuticals Inc. ("MYM") and its licensed producer subsidiary Highland Grow Inc. ("**Highland Grow**"), pursuant to a plan of arrangement to be completed under the *Business Corporations Act* (British Columbia) (the "**Transaction**"). The Transaction reinforces the Company's strategy as a leading global premium cannabis producer and purveyor. Following completion of the Transaction, expected to occur before the end of the second half of 2021, IMC will continue to operate under the IM Cannabis Corp. name with its common shares trading on the NASDAQ Capital Market and Canadian Securities Exchange under the ticker symbol "IMCC".

Acquiring MYM and its subsidiary Highland Grow Inc. expands IMC's focus on premium and super premium branded cannabis products in Canada, and upon closing consumers will have a broader choice of offerings and brands in these categories. With coast-to-coast distribution, including a strong leadership position in eastern Canada, Highland Grow enhances IMC's distribution capabilities, fast tracks the entrance of JWC (expected soon to be relaunched as "**Wagners**") into new markets, and is expected to drive significant incremental revenue and EBITDA growth. With the demand for premium-indoor grown cannabis increasing internationally, IMC's medical patients in Israel will now have even more options from which to choose. Highland Grow has experienced meaningful revenue growth over the last six months, is currently profitable on an EBITDA basis, and is expected to be a meaningful contributor to IMC's revenue and profitability trajectory in 2021 and beyond.

^[1] *Based on internal company estimates*

"Acquiring MYM is consistent with IMC's focus on premium and super premium segments of the cannabis market for consumers and patients in all markets. The Transaction also demonstrates our disciplined approach to acquiring accretive companies that create financial and operational synergies and result in additional opportunities to export premium cannabis products to Israel and Germany," said Oren Shuster, CEO, IMC. "With coast-to-coast distribution, including a strong leadership position in Eastern Canada, Highland Grow will further enhance our distribution capabilities and fast-track our entrance into new markets."

Michael Wiener, CEO of MYM, who upon closing will join IMC's North American business said "IMC has built a solid foundation in Israel, Germany and Canada and offers unique opportunities to further grow its position as a leader in the cultivation and distribution of premium and super premium craft cannabis. Our team couldn't be more optimistic about joining the IMC team."

Under the terms of the Transaction, the shareholders of MYM will receive 0.022 common shares of IMC for each common share of MYM (the **Consideration**). Based on the 20-day volume-weighted average price ("**VWAP**") of IMC common shares prior to this announcement, the implied MYM share price of \$0.219 pursuant to the exchange ratio implies a 17.9% premium over the same period. Upon the completion of the Transaction, MYM shareholders will own approximately 14.5% of IMC.

Strategic and Financial Highlights

The Transaction is expected to provide financial, operation and strategic benefits to IMC upon closing. Highlights include:

Financially accretive: The Transaction is expected to be immediately accretive to IMC's financial results in 2021 and beyond. Inclusive of potential synergies, it is estimated that the acquisition of Highland Grow implies a purchase multiple of approximately 3.4x EV/revenue and 10.6x EV/EBITDA for 2021 and 2.3x EV/revenue and 6.7x EV/EBITDA for 2022.

Significant margin enhancing opportunities: Through active category management, increased distribution, and a broader offering of SKUs, it is expected that the Transaction will drive incremental synergies of least \$5 million per annum upon closing.

Enhanced distribution and operational capabilities: With distribution points across most provinces and territories, Highland Grow expands Wagners distribution strategy and will accelerate incremental revenue growth as the Company integrates its commercial strategies. The Transaction also creates an opportunity to optimize facilities, improve process flow and increase annual production as a result. MYM's Sublime facility in Laval, Quebec houses over 150 unique genetics and combined with Wagners genetic portfolio will ensure product and SKU innovation to meet rapidly evolving consumer preferences in Canada, Israel and additional overseas markets.

Proven and complementary brand and products: Highland Grow is a highly regarded brand in the Canadian adult-use market as demonstrated by its proven commercial success, growing revenue base, as well as customer and budtender feedback. Highland Grow's super premium offerings complement Wagners premium positioning, providing consumers with exceptional value for money across a continuum of quality and price points.

Transaction Details

The Transaction, which is to be carried out by way of a court-approved plan of arrangement under the *Business Corporations Act* (British Columbia), will require the approval of (i) two-thirds of the votes cast by shareholders of MYM and holders of exchangeable shares exchangeable into MYM common shares, voting together as a single class; and (ii) 50%+1 of the MYM shareholders (including the exchangeable shareholders, excluding shares held directly or indirectly by Michael Wiener in accordance with Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions*, at a special meeting expected to take place in Q2 2021 (the **MYM Meeting**). MYM's directors and officers, as well as Biome Grow Inc., which together currently hold approximately 41.7% of the common shares of MYM (giving effect to exchange of the exchangeable shares), have each entered into voting support agreements to vote their shares in favour of the Transaction and lock-up agreements restricting the resale of IMC common shares to be owned by such individuals upon closing of the Transaction to a staggered 1/6 release per month of such shares for a period of 6 months. Completion of the Transaction is subject to court and regulatory approvals, which are currently expected to be received during the second half of 2021. The Transaction is expected to close during the second half of 2021 (the closing date being the "**Effective Date**").

MYM has also entered into a settlement agreement with its senior secured lender, a corporation controlled by Michael Wiener. In accordance with the settlement agreement, upon closing, the senior secured loan will be settled in exchange for (i) a number of IMC shares equal to (x) the amount owing in connection with repayment of the senior secured loan on the Effective Date (estimated at \$5.4 million) divided by (y) 85% of the lower of IMC's closing share price on the Canadian Securities Exchange on the date prior to the date hereof and IMC's closing share price on the Canadian Securities Exchange on the date prior to the Effective Date; and (ii) warrants to purchase 155,340 common shares of IMC for a period of three years for a strike price equal to 120% of the lower of MC's closing share price on the Canadian Securities Exchange on the date prior to the date hereof and IMC's closing share price on the Canadian Securities Exchange on the date prior to the Effective Date.

The Arrangement Agreement contains certain customary provisions, including covenants in respect of non-solicitation of alternative acquisition proposals for MYM, a right to match any superior proposals for MYM and a termination fee of \$1.2 million payable to IMC in certain circumstances.

Further details with respect to the Transaction will be included in the information circular to be mailed to MYM shareholders in connection with the MYM Meeting. A copy of the Arrangement Agreement and the information circular will be filed on IMC and MYM's SEDAR profile and will be available for viewing at www.sedar.com.

Fairness Opinion

Desjardins Capital Markets provided a fairness opinion to the board of directors of IMC on March 31, 2021 (the "**Desjardins Opinion**") stating that, as of the date of the Desjardins Opinion and subject to the assumptions, limitations and qualifications contained in the Desjardins Opinion, the Consideration to be paid by IMC pursuant to the Transaction is fair, from a financial point of view, to IMC.

Recommendation of MYM Board

The board of directors of MYM formed a special committee of independent members (the "**MYM Special Committee**") to review and approve the Transaction. Hyperion Capital Inc. provided a fairness opinion to the MYM Special Committee on March 31, 2021 ("**Opinion**") stating that, as of the date of such Opinion and subject to the assumptions, limitations and qualifications contained in such Opinion, the Consideration to be received by shareholders of MYM pursuant to the Transaction is fair, from a financial point of view, to the shareholders of MYM. Based on the Opinion and after consulting with its financial and legal advisors, among other considerations, the independent members of the board of directors of MYM have unanimously: (i) determined that the Transaction is in the best interests of MYM; (ii) resolved to recommend that MYM shareholders vote in favor of the Transaction; and (iii) determined that the Consideration to be received by MYM shareholders pursuant to the Transaction is fair from a financial point of view to MYM shareholders.

Advisors

Desjardins Capital Markets and Torys LLP are acting as financial advisor and legal counsel, respectively, to IMC. Dentons Canada LLP is acting as legal counsel to Desjardins Capital Markets. Hyperion Capital Inc. and Borden Ladner Gervais LLP are acting as financial advisor and legal counsel, respectively, to MYM. Blake, Cassels & Graydon LLP is acting as legal counsel to Hyperion Capital Inc.

About IM Cannabis Corp.

IMC is an MCO in the medical and adult-use recreational cannabis sector headquartered in Israel and with operations in Israel, Germany and Canada. Over the past decade, the Company believes that the IMC brand has become synonymous with quality and consistency in the Israeli medical cannabis market. The Company has also expanded its business to offer intellectual property-related services to the medical cannabis industry.

In Europe, IMC operates through Adjupharm GmbH, a German-based subsidiary and EU GMP-certified medical cannabis distributor. IMC's European presence is augmented by strategic alliances with various pan-European EU-GMP cultivators and distributors to capitalize on the increased demand for medical cannabis products in Europe and bring the IMC brand and its product portfolio to European patients.

In Canada, IMC operates through Trichome JWC Acquisition Corp. ("JWC"). JWC is a licensed producer located in Kitchener, Ont., and sells cannabis flower, pre-rolls, hash and kief. JWC operates with the highest standards for providing clean, consistent, aeroponically-grown premium cannabis products to medical cannabis patients and the adult-use market throughout Canada and the world.

About MYM Nutraceuticals Inc.

MYM is a Canadian cultivator, processor, and distributor of premium cannabis via its two wholly owned subsidiaries - SublimeCulture Inc., in Laval, QC and Highland Grow Inc., in Antigonish, NS.

MYM shares trade in Canada, Germany and the United States under the following symbols: (CSE: MYM) (OTC: MYMMF) (FRA:0MY) (DEU:0MY) (MUN:0MY) (STU:0MY).

Disclaimer for Forward-Looking Financial Information

This press release contains "forward-looking information" and "forward-looking statements" within the meaning of applicable Canadian and United States securities laws (collectively, "forward-looking information") about IMC's and MYM's current expectations, estimates and projections about the future, based on certain assumptions made in light of experiences and perceptions of historical trends. Although IMC believes that the expectations represented by such forward-looking information are reasonable, there can be no assurance that such expectations will prove to be correct.

Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect", "likely" and "intend" and statements that an event or result "may", "will", "should", "could" or "might" occur or be achieved and other similar expressions. Forward-looking information in this press release includes statements about: anticipated future net revenue and EBITDA, the timing and completion of the plan of arrangement and the acquisition of all of the issued and outstanding MYM common shares, the timing and anticipated receipt of required regulatory, court and securityholder approvals for the Transaction and other customary closing conditions; the anticipated benefits of the Transaction, including corporate, operational and financial benefits and the timing thereof, IMC's current and future North American expansion strategy, the expected accretive impact of the Transaction on the Company, the expectations regarding the legalization of adult-use recreational cannabis in Israel, the run-off of Trichome's loan portfolio; and the expected development and growth of the Company's business, acquisition activity, and plans and strategies to realize such expectations, and the business and strategic plans of the Company.

Developing forward-looking information involves reliance on several assumptions and considerations of certain risks and uncertainties, some of which are specific to IMC, MYM, and others that apply to the industry generally. Such assumptions include, but are not limited to, the ability of the Company to execute its business plan prior to and following the completion of the Transaction, the continued growth of the medical and recreational cannabis markets in Israel, Canada, Germany and elsewhere in Europe, IMC maintaining "de facto" control over Focus Medical Herbs Ltd. ("**Focus Medical**") in accordance with IFRS 10, Focus Medical maintaining its existing Israeli cultivation license and other business permits in the State of Israel, the continuing strength and appeal of the IMC brand, future opportunistic acquisitions becoming available to the Company in the North American cannabis market and the expected legalization of adult-use recreational cannabis in Israel.

The risk factors and uncertainties that could cause actual results to differ materially from the anticipated results or expectations expressed in this press release, include, without limitation: IMC's ability to realize future net revenue and EBITDA, the ability of IMC and MYM to receive, in a timely manner, the necessary regulatory, court, securityholder, stock exchange and other third-party approvals to consummate the Transaction; the ability of IMC and MYM to satisfy, in a timely manner, the other conditions to the closing of the Transaction; the ability to complete the Transaction on the terms contemplated by the Arrangement Agreement and other agreements, including the support agreements or at all; the ability of the Company, following the completion of the Transaction, to realize the anticipated benefits of the Transaction and the timing thereof; the consequences of not completing the Transaction, including the volatility of the share prices of IMC and MYM, negative reactions from the investment community and the required payment of certain costs related to the Transaction; actions taken by government entities or others seeking to prevent or alter the terms of the Transaction; potential undisclosed liabilities unidentified during the due diligence process; the interpretation of the Transaction by tax authorities; the focus of management's time and attention on the Transaction and other disruptions arising from the Transaction; a resurgence in cases of COVID-19, which has occurred in certain locations and the possibility of which in other locations remains high and creates ongoing uncertainty that could result in restrictions to contain the virus being re-imposed or imposed on a more strict basis, including restrictions on movement and businesses; the extent to which COVID-19 impacts the global economy; the success of new COVID-19 workplace policies and the ability of people to return to workplaces; the Israeli government deciding to delay or abandon the legalization of adult-use recreational cannabis in Israel; the ability of the Company to comply with applicable government regulations in a highly regulated industry; unexpected changes in governmental policies and regulations affecting the production, distribution, manufacture or use of medical cannabis in Israel, Germany and other foreign jurisdictions in which the Company intends to operate; risks of product liability and other safety-related liability as a result of usage of the Company's cannabis products; any failure of IMC to maintain "de facto" control over Focus Medical in accordance with IFRS 10; IMC and Focus Medical having to rely on third-party cannabis producers to supply IMC and Focus Medical with product to successfully fulfill previously announced sales agreements and purchase commitments; the ability of Focus Medical to deliver on its sales commitments; the risk that regulatory authorities in Israel may view IMC as the deemed owner of more than 5% of Focus Medical in contravention to Israeli rules restricting the ownership of Israeli cannabis cultivators and thereby jeopardizing Focus Medical's cannabis cultivation license; any unexpected failure of Focus Medical to renew its cultivation license with the Israeli Ministry of Health; any failure to obtain the requisite business permits in the State of Israel; reliance on management; inconsistent public opinion and perception regarding the use of cannabis; political instability and conflict in the Middle East; adverse market conditions; the ability of the Company to access future financing if needed or on terms acceptable to the Company; the inherent uncertainty of production and cost estimates and the potential for unexpected costs and expenses; crop failures; litigation; currency fluctuations; increasing competition; failure to meet the continued listing requirements of the NASDAQ Capital Market and the Canadian Securities Exchange; and loss of key management and/or employees.

Readers are cautioned that the foregoing lists of assumptions and risk factors are not exhaustive. Readers should also carefully consider the risk factors discussed in MYM's management's discussion and analysis for the year ended December 31, 2019, and management's discussion and analysis for the three months and nine months ended September 30, 2020, and IMC's current annual information form.

This press release also contains future-oriented financial outlook and financial information (collectively, "**FOFI**") within the meaning of applicable Canadian securities laws. The FOFI included herein has been approved by management of IMC as of the date hereof to demonstrate IMC's current expectations regarding the effects of the Transaction on the future financial results of the Company. IMC believes that the FOFI has been prepared on a reasonable basis, reflecting best estimates and judgments, and based on several assumptions that IMC's management believes are reasonable under the current circumstances. However, because this information is highly subjective and subject to numerous risks, including the risks discussed above, it should not be relied on as necessarily indicative of future results. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the FOFI prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected. Although management of IMC has attempted to identify important risks, uncertainties and factors which could cause actual results to differ materially, there may be others that cause results not to be as anticipated, estimated or intended. The forward-looking information contained in this press release is made as of the date of hereof. Except as required by applicable securities law, IMC and MYM undertake no obligation to update publicly or otherwise revise any forward-looking information or the foregoing lists of factors affecting those statements, whether as a result of new information, future events or changed circumstances.

Non-IFRS Measures

This press release includes reference to "EBITDA", which is a non-International Financial Reporting Standards ("**IFRS**") financial measures. Non-IFRS measures are not recognized measures under IFRS, do not have a standardized meaning prescribed by IFRS, and are therefore unlikely to be comparable to similar measures presented by other companies. IMC defines adjusted EBITDA as EBITDA adjusted by removing other non-recurring or noncash items, including the unrealized change in fair value of biological assets, realized fair value adjustments on inventory sold in the period, share-based compensation expenses, depreciation of right-of-use assets, revaluation adjustments of financial assets and liabilities measured on a fair value basis and non-recurring transaction costs included in operating expenses. The Company defines EBITDA as earnings before interest, tax, depreciation and amortization. EBITDA has no direct, comparable IFRS financial measure. IMC has used or included this non-IFRS measure solely to provide investors with added insight into MYM's financial performance. Readers are cautioned that such non-IFRS measure may not be appropriate for any other purpose. Non-IFRS measures should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

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