

**FORM 51-102F3
MATERIAL CHANGE REPORT**

Item 1: Name and Address of Company

IM Cannabis Corp. (the “Company”)
Kibbutz Glil Yam
Central District 4690500 Israel

Item 2: Date of Material Change

January 16, 2025.

Item 3: News Release

A press release disclosing the material change was issued by the Company via Canadian Newswire on January 17, 2025, and filed on the Company’s SEDAR+ profile at www.sedarplus.ca.

Item 4: Summary of Material Change

Effective January 16, 2025, the Company changed its auditor from Kost Forer Gabbay & Kasierer, a member of Ernst & Young Global (the “Predecessor Auditor”) to Fahn Kanne & Co. Grant Thornton Israel (the “Successor Auditor”).

Item 5: Full Description of Material Change

The Predecessor Auditor resigned effective January 16, 2025, at the Company’s request, and the Company’s board of directors, upon the audit committee’s recommendation, appointed the Successor Auditor to fill the resulting vacancy until the close of the next annual meeting of the Company’s shareholders.

The change of auditor notice required pursuant to National Instrument 51-102 – *Continuous Disclosure Obligations* (“NI 51-102”) and associated material have been filed on SEDAR+ (www.sedarplus.ca) under the Company’s profile within the prescribed time period. There were no reservations or modified opinions in any auditor’s reports nor any reportable events as defined in NI 51-102 in connection with the audits by the Predecessor Auditor of the Company’s most recently completed financial year or any subsequent period.

Item 6: Reliance on Subsection 7.1(2) of National Instrument 51-102 (Confidentiality)

Not applicable.

Item 7: Omitted Information

No information has been omitted on the basis that it is confidential information.

Item 8: Executive Officer

For additional information with respect to this material change, please contact:

Michal Lebovitz Nissimov
Corporate Secretary
Phone: +972-54-2815033
Email: michal.l@imcannabis.com

Item 9: Date of Report

January 22, 2025.