

## MATERIAL CHANGE REPORT

### ***Item 1 — Name and Address of Company***

IM Cannabis Corp. (the “**Company**”)  
Suite 2300 – 550 Burrard Street  
Vancouver, BC, Canada, V6C 2B5

### ***Item 2 — Date of Material Change***

November 17, 2022

### ***Item 3 — News Release***

A news release disclosing the material change was issued by the Company through the services of Canadian Newswire on November 17, 2022 and subsequently filed on the Company’s SEDAR profile at [www.sedar.com](http://www.sedar.com).

### ***Item 4 — Summary of Material Change***

On November 17, 2022, the Company completed the consolidation of its issued and outstanding common shares (the “**Common Shares**”) on the basis of one (1) post-consolidation Common Share for each ten (10) pre-consolidation Common Shares (the “**Share Consolidation**”).

### ***Item 5 — Full Description of Material Change***

#### ***5.1 — Full Description of Material Change***

On November 17, 2022, the Company consolidated its Common Shares on the basis of one (1) post-Share Consolidation Common Share for each ten (10) pre-Share Consolidation Common Shares. The Common Shares began trading on the Canadian Securities Exchange (the “**CSE**”) and the Nasdaq Capital Market (“**NASDAQ**”) on a post-Share Consolidation basis on November 17, 2022.

The Share Consolidation is intended to increase the trading price of the Common Shares to enable the Company to satisfy the minimum bid price requirement for continued listing on the NASDAQ. The Company's post-Share Consolidation Common Shares will continue to trade on the CSE and NASDAQ under the same symbol, "IMCC". The new CUSIP and ISIN numbers for the post-consolidated Common Shares are 44969Q307 and CA44969Q3070, respectively.

The Share Consolidation has reduced the number of existing Common Shares from 75,695,325 Common Shares to approximately 7,569,526 Common Shares, subject to adjustments for rounding purposes. Following the Share Consolidation, any fractional interest in a Common Share that is less than 0.5 of a Common Share will be rounded down to the nearest whole Common Share and any fractional interest in a Common Share that is 0.5 or greater of a Common Share will be rounded up to the nearest whole Common Share. Proportionate adjustments will be made to the Company’s outstanding securities that are convertible, exchangeable or exercisable for Common Shares.

The Company’s shareholders approved the Share Consolidation at the Company’s annual general and special meeting of shareholders held on October 20, 2022.

**5.2 — Disclosure for Restructuring Transactions**

Not applicable.

**Item 6 — Reliance on subsection 7.1(2) of National Instrument 51-102**

Not applicable.

**Item 7 — Omitted Information**

Not applicable.

**Item 8 — Executive Officer**

Yael Harrosh  
Chief Legal and Operations Officer  
+972-54-6687515

**Item 9 — Date of Report**

November 17, 2022.