



InterCure Continuing its Medical Cannabis Consolidation Strategy, Announces Strategic Acquisition of Cannomed Pharmacy Chain

Acquisition includes two medical cannabis dispensing pharmacies, another pharmacy in the process of receiving its license and a medical cannabis patient support center

Companies will partner in Cannomed online platform dedicated to fulfilling orders of medical cannabis products and in medical cannabis cultivation and importation

NEW YORK, TORONTO, and HERZLIYA, Israel – September 2, 2021 – [InterCure Ltd.](#) (NASDAQ: INCR) (TSX: INCR.U) (TASE: INCR) (dba Canndoc)("InterCure" or the "Company") today announced that it has signed an agreement in which InterCure will purchase strategic assets from [Cannomed](#) (TASE: CNMD), an Israel-based company and owner of a pharmacy chain specializing in dispensing medical cannabis.

According to the agreement, the Company will acquire Cannomed's holdings; 55% of 'Max Pharm' (which operates two medical cannabis dispensing pharmacies), 100% of a pharmacy in the process of receiving its license and 51% of 'Hello Pharm' a medical cannabis patient support center. The companies will partner in Cannomed innovative e-commerce platform for medical cannabis products. InterCure's medical pharmacy chain, 'GIVOL', will onboard this new platform throughout its various locations, adding a complementary e-commerce operation to GIVOL's extensive retail footprint. The online platform is expected to go live, pending approvals from applicable Israeli regulatory authorities.

The acquisition expands InterCure's sales and distribution channels in response to the growing demand for its branded products and the consistent increase in the number of medical cannabis patients in Israel, currently estimated at a growth rate of 4%¹ per month.

Cannomed was one of the first Israeli companies to acquire Israeli Medical Cannabis Agency (IMCA) approved pharmacies to meet the growing demand by patients. The acquisition of its dispensing operation is part of InterCure's growth strategy to further improve sales and profitability, as the Company continues to execute on its consolidation strategy of the Israeli medical cannabis market, which began with its previously announced acquisition of Israeli licensed cannabis producer 'Better'.

The two companies will also reach a medical cannabis cultivation and importation agreement, in which Cannomed supply medical cannabis for the Company.

¹ Israeli Ministry of Health Data publication, April 2021



"InterCure is further capitalizing on its growth momentum, which is supporting our move of leading the consolidation of the medical cannabis market" said InterCure CFO, **Amos Cohen**. "This transaction with Cannomed is another step in the implementation of our strategy and strengthens InterCure's position."

About InterCure (dba Canndoc)

InterCure (dba Canndoc) (NASDAQ: INCR) (TSX: INCR.U) (TASE: INCR) is the leading cannabis company outside of North America. Canndoc, a wholly owned subsidiary of InterCure, is Israel's largest licensed cannabis producer and one of the first to offer Good Manufacturing Practices (GMP) certified and pharmaceutical-grade medical cannabis products. InterCure leverages its market leading distribution network, best in class international partnerships and a high-margin vertically integrated "seed-to-sale" model to maintain its position as Israel's leading cannabis company as well as to drive further growth through global expansion.

For more information, visit: <http://www.intercure.co>

Forward-Looking Statements

This press release may contain forward-looking information within the meaning of applicable securities legislation, which reflects InterCure's current expectations regarding future events. The words "will", "expects", "intends" and similar expressions are often intended to identify forward-looking information, although not all forward-looking information contains these identifying words. Specific forward-looking information contained in this press release includes, but is not limited to: the success of the acquisition of Cannomed assets and the future outcomes of such acquisition, the success of the future partnership between the Company and Cannomed, the Company's future revenue growth and results, the success of its global expansion plans, its continued growth, the expected operations, financial results, business strategy, competitive strengths, goals and expansion and growth plans and the expansion strategy to major markets worldwide. Forward-looking information is based on a number of assumptions and is subject to a number of risks and uncertainties, many of which are beyond InterCure's control, which could cause actual results and events to differ materially from those that are disclosed in or implied by such forward-looking information. Such risks and uncertainties include, but are not limited to: changes in general economic, business and political conditions, changes in applicable laws, the Canadian regulatory landscapes and enforcement related to cannabis, changes in public opinion and perception of the cannabis industry, reliance on the expertise and judgment of senior management, as well as the factors discussed under the heading "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements" in the registration statement on Form 20-F, filed with the Securities Exchange Commission on August 16, 2021. InterCure undertakes no obligation to update such forward-looking information, whether as a result of new information, future events or otherwise, except as expressly required by applicable law.

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