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 August 2021

001-40614
(Commission File Number)

INTERCURE LTD.
(Exact name of Registrant as specified in its charter)

85 Medinat ha-Yehudim Street
Herzliya, 4676670, Israel
Tel: +972 77 460 5012
(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): ____

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): ____

Exhibit Index

Exhibit No.	Description
99.1	Press Release dated August 16, 2021
99.2	Interim Condensed Consolidated Financial Statements of Intercure Ltd. as of June 30, 2021.
99.3	Management's Discussion and Analysis of Financial Condition and Results of Operations - Intercure Ltd.
99.4	Press Release dated September 1, 2021

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

	Intercure Ltd.
Date: September 1, 2021	By: */s/ Alexander Rabinovich*
	Alexander Rabinovich

Exhibit 99.1

InterCure Announces Record-Breaking Second Quarter Financial Results With 4 Times YOY Revenue Growth

Achieved record revenue of NIS 45 million (over CAD$17 million), an increase of 400% year-over-year and 37% quarter-over-quarter

Achieved quarterly run-rate Q2 Pro Forma[1] revenues of NIS 55 million (over CAD$21 million)

Recorded continued increase in operating profit, EBITDA[2] and net profit

Achieved Q2 EBITDA margin of 26% and positive operational cash flow

Revenue growth expected to continue in the third quarter and for the remainder of 2021

The Company is in the last stages of listing its ordinary shares on the NASDAQ

Toronto, Canada, and Herzliya, Israel – August 16, 2021 – InterCure Ltd. (TSX: INCR.U, TASE: INCR)(dba Canndoc)(the "Company") is pleased to announce its financial results for the second quarter of 2021 and provide a business update. All amounts are expressed in New Israeli Shekels (NIS) or Canadian dollars ($), unless otherwise noted.

Second Quarter 2021 Key Financial & Operating Highlights

- Achieved record revenue of NIS 45 million ($17 million), four times greater than the second quarter of 2020 and up 37% compared to the first quarter of 2021.
- EBITDA[2] for the second quarter of the Company's cannabis sector was NIS 12 million ($5 million), and NIS 11 million ($4 million) on a consolidated basis. This represents an annual run rate of close to NIS 50 million ($20 million), a significant increase year-over-year, driven by revenue growth, improvement in gross profit and operating profit.
- Positive cash flow from operations for the fourth consecutive quarter.
- Strong balance sheet with NIS 201 million ($78 million) of cash as of June 30, 2021.
- Generated Pro forma[1] second quarter revenues of NIS 55 million (over $21 million), representing a run rate of NIS 220 million ($86 million).
- Recorded a continued increase in operating profit, EBITDA and net profit.

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[1] Includes estimated revenues of all InterCure's consolidated operations for the entire quarterly period.

[2] This is a non-IFRS financial measure and does not have a standardized meaning prescribed by IFRS, please see "Non-IFRS Measures" below.

- Continued to grow market share due to solid demand for Canndoc's branded products, expansion of its medical cannabis dispensing operation and continued improvement across all facets of the business, including same store sales (SSS) increase.

- Added **three** additional medical cannabis licensed pharmacies during the quarter, bringing the total retail locations to **eight**. Expansion of the Company's medical cannabis dispensing operation is expected to continue and accelerate in the third quarter and throughout the remainder of 2021.

- Successful launch of the first ever Cookies™ GMP premium products exclusively cultivated and manufactured in the Company's advanced southern facility.

- Solid international demand for InterCure's GMP branded products expected to boost global expansion as Ministry of Economy announced easing regulation for medical cannabis exportation.

- Legislation of adult use cannabis and CBD products in Israel progresses as a new government sworn into office in June 2021.

- Revenue growth is expected to continue in the third quarter and throughout 2021.

"We continue to execute our profitable growth strategy while strengthening InterCure's brands, manufacturing and distribution leadership" said **InterCure CEO Alexander Rabinovich**, adding "we achieved during this quarter unmatched results with some of the strongest revenue growth rates and EBIDTA margin in the sector. Our leadership position in Israel, the leading GMP market, alongside our global expansion creates visible momentum for continued near and long-term profitable growth, generating value for shareholders and relief for patient communities."

"The second quarter of 2021 is InterCure's sixth consecutive quarter with quarter-to-quarter high double-digit growth and fourth consecutive quarter with positive cash flow from operations" said **InterCure CFO Amos Cohen**, adding "maintaining sound financial discipline and a strong balance sheet are key in strengthening our position leading the consolidation process outside North America."

Key Q2 2021 Financial Highlights – Cannabis Sector

(In thousands NIS)

	Q2-20	**Q2-21**
Revenues	11,185	45,230
Gross Profit (1)	4,814	19,268
Operating Profit	(847)	11,127
Adjusted EBITDA (2)	**1,582**	**11,701**

	Q1-20	Q2-20	Q3-20	Q4-20	Q1-21	Q2-21
Revenues	4,259	11,185	22,497	27,094	33,051	45,230
Gross Profit (1)	1,516	4,814	10,755	13,302	15,427	19,268
Adjusted EBITDA(2)	**(1,313)**	**1,582**	**6,970**	**8,675**	**10,965**	**11,701**

(1) Gross profit before effect of fair value.

(2) EBITDA adjusted for changes in the fair value of inventory, share-based payment expense, impairment losses (and gains) on financial assets, non-controlling interest and other expenses (or income). This is a non-IFRS financial measure and does not have a standardized meaning prescribed by IFRS, please see "Non-IFRS Measures" below.

Second Quarter 2021 Results

The Company reported second quarter 2021 revenue of NIS 45 million ($17 million), an increase of four times compared to revenue of NIS 11 million in the prior year period and up 37% sequentially compared to the first quarter of 2021. Estimated revenue represents an annual run rate of NIS 180 million (over $70 million). Pro Forma second quarter revenues on a full quarterly operating basis of NIS 55 million (over $21 million), representing a run rate of NIS 220 million ($86 million).

InterCure continued to grow its market share with strong demand for Canndoc's branded products, expansion of its medical cannabis dispensing operation and continued improvement across all facets of the business, including same store sales (SSS) increase.

During the time of this report, InterCure launched its Lemonade™ medical cannabis approved pharmacy in Jerusalem, the first Lemonade™ retail location outside of the US. In addition, it added two more medical cannabis licensed pharmacies to its leading pharmacy chain – Givol™, bringing the total number of medical cannabis approved retail locations to eight. The expansion is expected to continue and accelerate during the third quarter and throughout the remainder of 2021.

The Company continued to generate increases in operating profit, EBITDA and net profit during the second quarter of 2021, reflecting InterCure's market leadership, scale and operational excellence.

During the second quarter the southern facility, largest and most advanced in Israel, successfully ramped up its cultivation capacity to meet the growing demand for InterCure's GMP products. To continue supplying the solid demand, the Company is considering accelerating production and development plans of its southern cultivation site.

During the quarter, the Company successfully launched new branded products, including the first ever Cookies™ GMP premium products, setting new standards of quality. These were exclusively cultivated and manufactured in the Company's advanced southern facility as part of the strategic partnership with Cookies™.

In late June 2021, the Company was one of the first and only Israeli licensed producers to meet the new standards set by the IMCA (Act 109) and successfully resumed importation of medical cannabis from its exclusive strategic partner Tilray. Importation is expected to continue and accelerate throughout the third quarter and the rest of 2021.

Legalization of adult cannabis use progresses, for the first time in Israel's history cannabis reform was part of the new government's coalition agreements. Since the new parliament was assembled in June, both coalition and opposition parties put forward bills for adult cannabis use with minor differences. InterCure remains committed to lead this upcoming new market once the legislations pass.

Another expected reform is the completion of de-listing CBD from the Dangerous Drugs Act. With the formation of a new government, this process is expected to continue and come to completion. During the quarter, InterCure has laid infrastructure with our strategic partner Charlotte's Web™, a global leader, and is prepared for the launching of this new segment.

The new Minister of Economy also enacted an ease on exporting GMP grade medical cannabis and CBD products from Israel. Combined with solid international demand for InterCure's GMP branded products, the new regulations are expected to boost the Company's global expansion. InterCure's leadership and brand equity in international target markets, including Europe, position the Company for long term growth in these emerging markets.

The Company is in advanced stages of completing an acquisition and merger of Israeli medical cannabis licensed producer 'Better'. The integration with Better is expected to increase InterCure's market share and further strengthen its leadership position within the pharmaceutical cannabis market.

On April 20, 2021, InterCure applied to list its shares on The Nasdaq Capital Market ("Nasdaq") and has filed a registration statement with the SEC to register its shares under the Exchange Act of 1934, a prerequisite to listing on Nasdaq. The Company is in the last stages of listing its ordinary shares on the NASDAQ exchange under the symbol "INCR".

Consolidated Financial Statements and Management's Discussion and Analysis InterCure's unaudited financial statements and accompanying notes for the three and six month periods ended June 30, 2021 and related management's discussion and analysis of financial condition and results of operations ("MD&A") are available under the Company's profile on SEDAR.

About InterCure (dba Canndoc)

InterCure (dba Canndoc) (TSX:INCR.U, TASE:INCR) is the leading, fastest growing and the most profitable Israeli cannabis company. 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 be the most profitable cannabis company globally outside of North America.

InterCure is listed on the Toronto Stock Exchange under the symbol INCR.U and trades on the Tel Aviv Stock Exchange under the symbol INCR.TA.

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

Non-IFRS Measures

This press release makes reference to certain non-IFRS financial measures. Adjusted EBITDA, as defined by InterCure, means earnings before interest, income taxes, depreciation, and amortization, adjusted for changes in the fair value of inventory, share-based payment expense, impairment losses (and gains) on financial assets, non-controlling interest and other expenses (or income). This measure is not a recognized measure under IFRS, does not have a standardized meaning prescribed by IFRS and is therefore unlikely to be comparable to similar measures presented by other companies. InterCure's method of calculating this measure may differ from methods used by other entities and accordingly, this measure may not be comparable to similarly titled measured used by other entities or in other jurisdictions. InterCure uses this measure because it believes it provides useful information to both management and investors with respect to the operating and financial performance of the company. A reconciliation of Adjusted EBITDA to an IFRS measure (revenue), which is incorporated by reference to this press release, is available in Intercure's MD&A for the period under the heading "Results of Operation", available under the Company's profile on SEDAR at www.sedar.com.

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 Company's future revenue growth and results, its ability to list its shares on the Nasdaq, the success of the acquisition of Better and the future outcomes of the acquisition, the legalization of recreational cannabis in Israel, 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" in Subversive Acquisition LP's final long form prospectus dated March 15, 2021, which is available on SEDAR at www.sedar.com. 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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Exhibit 99.2

Intercure Ltd.

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
As Of June 30, 2021
(Unaudited)

NOTICE OF NO AUDITOR REVIEW OF CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Section 4.3(3)(a) of National Instrument 51-102, Continuous Disclosure Obligations, provides that if an auditor has not performed a review of the consolidated interim financial statements, the interim consolidated financial statements must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The Company’s external auditors, KPMG Somekh Chaikin, have not performed a review of these consolidated interim financial statements of Intercure Ltd. (the Company).

Intercure Ltd.

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
As Of June 30, 2021

(Unaudited)

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Interim Condensed Consolidated Statements of Financial Position

	Note	June 30 2021	June 30 2020	December 31 2020
		NIS in thousands		
Current assets				
Cash and cash equivalents		200,896	8,603	37,888
Restricted cash		51	10,540	40
Trade receivables		21,421	11,633	12,466
Other receivables		20,530	3,562	3,680
Inventory	5	40,026	11,094	19,049
Biological assets	6	3,233	335	3,153
Financial assets measured at fair value through profit or loss	7	507	200	376
		286,664	45,967	76,652
Non-current assets				
Property, plant and equipment and right-of- use asset		69,028	43,341	53,470
Goodwill		226,570	167,965	190,103
Deferred tax assets		2,888	-	2,904
Financial assets measured at fair value through profit or loss		3,336	583	3,141
		301,822	211,889	249,618
Total assets		**588,486**	**257,856**	**326,270**

Interim Condensed Consolidated Statements of Financial Position

	June 30 2021	June 30 2020	December 31 2020
	NIS in thousands		
Current liabilities			
Current maturities	9,152	678	1,254
Trade payables	40,768	10,547	18,622
Other payables	36,974	4,404	8,705
Short term loan from non-conrolling interest	3,771	13,765	1,296
Advance on issuance of shares	-	10,500	-
	90,665	39,894	29,877
Non-current liabilities			
Borrowings	36,038	26	388
Liabilities in respect of employee benefits	156	182	155
Loan from related party	164	325	241
Financial assets measured at fair value through profit or loss	13,750	-	-
Lease liability	3,194	2,045	3,500
	53,302	2,578	4,284
Equity			
Share capital, premium and other reserves	595,625	410,242	452,259
Capital reserve for transactions with controlling shareholder	2,388	2,388	2,388
Receipts on account of shares	10,268	1,214	11,017
Accumelated losses	(181,753)	(199,217)	(191,158)
Equity attributable to owners of the Company	426,528	214,627	274,506
Non-controlling interests	17,991	757	17,603
Total equity	444,519	215,384	292,109
Total equity and liabilities	**588,486**	**257,856**	**326,270**

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

Interim Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income

	Note	Six months ended June 30, 2021	Six months ended June 30, 2020	Three months ended June 30, 2021	Three months ended June 30, 2020	Year ended December 31 2020
		NIS in thousands				
Revenue		78,281	15,444	45,230	11,185	65,035
Cost of revenue before fair value adjustments		(43,587)	(9,114)	(25,962)	(6,371)	34,649
Gross income before impact of changes in fair value		**34,694**	**6,330**	**19,268**	**4,814**	**30,386**
Unrealized changes to fair value adjustments of biological assets		2,445	1,694	1,752	1,199	3,202
Profit from fair value changes realized in the current year		(2,430)	(920)	(1,072)	(518)	(1,613)
Gross Profit		**34,709**	**7,104**	**19,948**	**5,495**	**31,975**
Research and development expenses		(717)	(786)	(356)	(412)	(1,576)
General and administrative expenses		(11,591)	(9,234)	(6,311)	(4,211)	(18,601)
Selling and marketing expenses		(8,423)	(2,884)	(4,854)	(1,765)	(8,440)
Other income (expenses), net		290	(3,127)	290	-	(4,563)
Changes in the fair value of financial assets through profit or loss, net,		326	(39,304)	162	46	(37,195)
Operating Profit (loss)		**14,594**	**(48,231)**	**8,879**	**(847)**	**(38,400)**
Financing income (expenses), net		(493)	44	(403)	(131)	92
Profit (Loss) before taxes on income		**14,102**	**(48,187)**	**8,476**	**(978)**	**(38,308)**
taxes		(4,309)	-	(2,538)	-	2,268
Total comprehensive Profit (loss)		**9,793**	**(48,187)**	**5,938**	**(978)**	**(36,040)**
Attribution of net loss for the quarterly:						
To the Company’s shareholders		9,405	-	6,192	(978)	(37,231)
To non-controlling interests		388	-	(254)	-	1,191
Total		9,793	(48,187)	5,938	(978)	(36,040)
Loss per share						
Basic Profit (loss)*		0.29	(2.00)	0.14	(0.02)	(1.42)
Diluted Profit (loss)*		0.24	(2.00)	0.12	(0.02)	(1.42)

* On April 8, 2021, after the balance sheet date, the Company effectuated a capital consolidation. See note 9a.

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

Interim Condensed Consolidated Statements of Changes in Equity

	Share capital, premium and other reserves	Capital reserve for transactions with controlling shareholder	Receipts on account of shares	Accumelated losses	Equity attributable to owners of the Company	Non-controlling interests	Total equity
	NIS in thousands						
As of January 1, 2021	452,259	2,388	11,017	(191,158)	274,506	17,603	292,109
Income for the period	-	-	-	9,405	9,405	388	9,793
Exercise of share options	3,551	-	(749)	-	2,803	-	2,803
Share-based payment	3,818	-	-	-	3,818	-	3,818
Issuance of shares, net	135,997	-	-	-	135,997	-	135,997
As of June 30, 2021	595,625	2,388	10,268	(181,753)	426,528	17,991	444,519
As of January 1, 2020	403,400	2,388	1,214	(151,030)	255,972	229	256,201
Loss for the period	-	-	-	(48,187)	(48,187)	-	(48,187)
Exercise of share options	833	-	-	-	833	-	833
Share-based payment	6,009	-	-	-	6,009	528	6,537
As of June 30, 2020	410,242	2,388	1,214	(199,217)	214,627	757	215,384

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

Interim Condensed Consolidated Statements of Changes in Equity

	Share capital, premium and other reserves	Capital reserve for transactions with controlling shareholder	Receipts on account of shares	Accumelated losses	Equity attributable to owners of the Company	Non-controlling interests	Total equity
	NIS in thousands						
As of April 1, 2021	456,235	2,388	10,601	(187,945)	281,279	18,244	299,523
Income for the period		-		6,192	6,192	(254)	5,938
Exercise of share options	1,580	-	(333)	-	1,247	-	1,247
Share-based payment	1,814	-	-	-	1,814	-	1,814
Issuance of shares, net	135,997				135,997		135,997
As of June 30, 2021	595,625	2,388	10,268	(181,753)	426,528	17,991	444,519
As of April 1, 2020	406,666	2,388	1,214	(198,239)	212,029	757	212,786
Loss for the year		-	-	(978)	(978)	-	(978)
Exercise of share options	833	-	-	-	833	-	833
Share-based payment	2,743	-	-	-	2,743	-	2,743
As of June 30, 2020	410,242	2,388	1,214	(199,217)	214,627	757	215,384

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

Interim Condensed Consolidated Statements of Changes in Equity

	Share capital, premium and other reserves	Capital reserve for transactions with controlling shareholder	Receipts on account of shares	Accumelated losses	Equity attributable to owners of the Company	Non-controlling interests	Total equity
				NIS in thousands			
As of January 1, 2020	406,297	2,388	1,214	(153,927)	255,972	229	256,201
Income (loss) for the year	-	-	-	(37,231)	(37,231)	1,191	(36,040)
Exercise of share options	833	-	-	-	833		833
Allocation of shares for the acquisition of Cannolam	6,904	-	-	-	6,904	15,655	22,559
Cannolam							
Issuance of shares, net	28,217	-	9,803	-	38,020		38,020
Share-based payment	10,008	-	-	-	10,008	528	10,536
As of December 31, 2020	452,259	2,388	11,017	(191,158)	274,506	17,603	292,109

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

Interim Condensed Consolidated Statements of Cash Flows

	Six months ended June 30,		Three months ended June 30,		Year ended December 31
	2021	**2020**	**2021**	**2020**	**2020**
	NIS in thousands				
Cash flows from operating activities					
Profit (Loss)	9,793	(48,187)	5,938	(978)	(36,040)
Interest paid	(695)	(8)	(837)	(68)	(93)
Taxes on income paid	(1,038)	-	(1,038)	-	-
Adjustments required to present cash flows from operating activities (A)	1,648	40,291	(2,058)	(2,961)	43,936
Net cash provided by (used in) operating activities	9,708	(7,904)	2,005	(4,007)	7,803
Cash flows from investing activities					
Purchase of property, plant and equipment	(4,499)	(11,465)	(1,752)	(5,373)	(20,841)
Acquisition of activity	(4,966)	-	(2,386)	-	-
Issuance of loan	(2,129)	-	(1,638)	-	(1,643)
Acquisition of Subsidiary	(7,306)	-	(7,306)	-	387
Investment in assets measured at fair value through profit or loss	-	-	-		(626)
Restricted cash due to share issue	-	(10,500)	-	(10,500)	-
Increase in deposit	(11)	(40)	(11)	-	(40)
Net cash used in investing activities	(18,911)	(22,005)	(13,093)	(15,873)	(22,763)
Cash flows from financing activities					
Proceeds from issuance of shares as part of private issuance, net	-	-	-	-	38,020
Exercise of share options	2,803	833	1,247	833	833
Lease payments	(341)	(239)	(171)	(120)	(576)
Receipt (repayment) of loans from banks	41,200	(36)	41,200	(28)	665
Receipt (issuance) of loan to related party and controlling shareholder	244	-	678	(29)	(13,653)
repayment of loan from related party and controlling shareholder	(936)	(68)	(887)	-	-
Issuance of shares, net	128,221	10,500	128,221	10,500	-
Net cash provided by financing activities	171,191	10,990	170,288	11,156	25,289
Increase (decrease) in cash and cash equivalents	161,988	(18,919)	159,200	(8,724)	10,329
Exchange differences in respect of balances of cash and cash equivalents	393	184	354	3	221
Balance of cash and cash equivalents at beginning of year	37,888	27,338	40,715	17,324	27,338
Balance of cash and cash equivalents at end of year	200,269	8,603	200,269	8,603	37,888

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

Interim Condensed Consolidated Statements of Cash Flows

	Six months ended June 30,		Three months ended June 30,		Year ended December 31
	2021	2020	2021	2020	2020
	NIS in thousands				
A) Adjustments required to present cash flows from operating activities					
Adjustments to items in the consolidated statement of comprehensive income:					
Depreciation	2,501	803	1,253	413	3,253
share-based payment	3,818	6,009	1,814	2,743	10,008
Changes in the fair value of financial assets through profit or loss, net	(326)	39,304	(162)	(46)	37,195
Finance expenses (income), net	493	(44)	403	131	(92)
Change in liabilities in respect of employee benefits, net	-	(12)	-	(6)	(39)
Expenses (Income) tax	4,309	-	2,538	-	(2,268)
	10,795	46,060	5,846	3,235	48,057
Changes in assets and liabilities items:					
Decrease (increase) in trade receivables	3,073	(10,046)	6,491	(6,757)	(9,608)
Decrease (increase) in other receivables	(1,451)	3,754	42	(142)	5,139
Decrease (increase) in inventory	(5,344)	(6,449)	(7,976)	(3,829)	(14,167)
Increase in biological assets	(80)	810	935	294	(2,008)
Increase (decrease) in trade payables	(11,492)	5,612	(12,855)	6,713	12,269
Increase (decrease) in other payables	6,147	550	5,459	(2,475)	4,254
	(9,147)	(5,769)	(7,904)	(6,196)	(4,121)
	1,648	40,291	(2,058)	(2,961)	43,936

Note 1 - General

A. The Company's activity

Intercure Ltd. (hereinafter: the "Company") is a public company which is listed on the Tel Aviv Stock Exchange and domiciled in Israel. Its offices are located in Herzliya. The Company is engaged in the medical cannabis sector through its holding of the entire issued and paid-up capital of Canndoc Ltd. (hereinafter: "Canndoc"), through its 50.1% stake in the issued and paid-in capital of Cannolam Ltd. and other holdings in pharmacies and trade houses. The Company also has additional holdings in the biomed sector.

Investments in the biomed sector:

The Company invested in two companies in the biomed sector: Regenera Pharma Ltd. (hereinafter: "Regenera") and NovellusDX Ltd. (hereinafter: "Novellus").

B. Definitions:

In these consolidated financial statements:

Company	-	Intercure Ltd.
Group	-	The Company and its subsidiaries.
Related Parties	-	As defined in IAS 24.
USD	-	U.S. dollars.
Subsidiaries	-	Companies which are controlled by the Company (as defined in IFRS 10), directly or indirectly, and whose financial statements are fully consolidated with the Company's reports.
Investee companies	-	Companies which are not under the Company's control, and which are presented according to the equity method.

Note 2 - Significant Accounting Policies

Preparation basis of the financial statements

The Group's condensed consolidated financial statements (hereinafter: the "Interim Financial Statements") were prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting" (hereinafter: "IAS 34").

These financial statements have been prepared in a condensed format as of June 30, 2021, and for the three months then ended ("interim condensed consolidated financial statements"). These financial statements should be read in conjunction with the Company's annual financial statements as of December 31, 2020, and for the year then ended and accompanying notes ("annual consolidated financial statements").

Interim Condensed Consolidated Statements of Cash Flows

Note 3 - Significant Transactions and Events During the Reporting Period

A. On January 3, 2021, the Company engaged in a merger agreement (hereinafter: the “Prior Agreement”) with Subversive Real Estate Acquisition REIT LP (“Subversive”), a third party unrelated to the Company and/or to its controlling shareholders, which is listed on the Canadian stock exchange NEO (NEO:SVX.U). On February 9, 2021, the parties engaged in an amended and definitive agreement with Subversive Real Estate Acquisition REIT LP (formerly Subversive Real Estate Acquisition REIT LP) (“SVX”) a special purpose acquisition company (SPAC), pursuant to which the Company, through a wholly-owned subsidiary, will acquire all of the outstanding limited partnership units of SVX in exchange for the issuance of the company ordinary shares by way of a plan of arrangement (the “SPAC Transaction”).

At the closing of the SPAC Transaction, which occurred on April 23, the Company issued 15,650,280 ordinary shares to Subversive unit holders, including those that participated in the concurrent private placement. Out of the total 15,650,280 ordinary shares issued, 5,237,000 of our ordinary shares were allocated as part of the SPAC Transaction to subversive’s sponsors and are subject to forfeiture unless the Company’s ordinary shares are listed on NASDAQ and obtain a target weighted average price per share of $13.00 (subject to appropriate adjustments) for any five (5) consecutive trading days during the thirty (30) trading days after the shares are traded on Nasdaq. Since the subversive’s sponsors shares were an integral part of the transaction with the SPAC and constituted a conditional issue for the amount of funds raised in the transaction and its success, the shares issue is presented together with all of SPAC units holders and PIPE investors and not in fair value.

Total net funds raised from the SPAC Transaction, after redemptions, and the private placement equalled approximately NIS 182 million (which 8 million NIS of those still needs to be completed and currently presented in Other receivables).

Since Subversive was not be considered a business, as defined by IFRS 3, the SPAC transaction was accounted for as a share-based payment transaction within the scope of IFRS.

On April 23, 2021, the Company shares were listed on the TSX and the first trade of the common shares on the TSX occurred on April 26, 2021

B. In January 2021, the Company engaged, through Cannolam, in an Agreement to purchase pharmacies located in Ashdod and Herzliya.

C. On January 26, 2021, the Company published an outline of options for Company employees and officers, including an offer of up to 4,303,356 unlisted options, exercisable into up to 4,303,356 ordinary Company shares with no par value (hereinafter: the “Options”), which are offered in accordance with the 2015 options plan, to employees and officers of the Company and/or of the subsidiary Canndoc. The options in accordance with the outline were allocated on March 15, 2021.

Note 3 - Significant Transactions and Events During the Reporting Period (cont.)

D. On April 1, 2021, the general assembly approved an increase of the Company's registered capital and a reverse split of the issued capital of the Company at the ratio of 1:4.44926 so that the Company's issued shares subsequent to the reverse split is 27,021,100.

E. On April 27, 2021, the Company issued to Mr. Alexander Rabinovich, CEO, 224,756 options to purchase 224,756 ordinary shares of Intercure. The options were granted following the General Assembly from August 2019 as part of Canndoc acquisition transaction and as approved by the Company's general assembly on April 1, 2021 as part of the Transaction.

F. F. On June, 2021, the Company engaged with a NIS 22.5 miliions bank loan , and NIS 14.0 milion through Cannolam, both for a period of 5 years with quarterly payments and yearly interest of "prime" plus 1.5%.

Note 4 - Business combinations

During ther period, the Company completed 2 non-material acquisitions:

A. In May 18, 2021, the Company acquired "Pharma-Zone", business of 2 pharmacies and licensed trading house located in Raanana.

B. In June 3, 2021, the Company acquired, through Cannolam, 51% of "Kineret" pharmacy located in Kfar Saba.

The initial accounting for the business combinations is incomplete because the acquisitions occurred shortly before the end of the period and thus we are still obtaining the information necessary to identify and measure items such as intangible assets. Accordignly, the amounts recognized in our financial statements for these items are regarded provisional as at June 30, 2021.

Note 5 - Inventory:

Inventory is comprised of finished goods of dry packaged or rolled medical cannabis and cannabis oil, as well as the outputs of processing procedures, which include, inter alia, agricultural produce which has been transferred from biological assets, where the procedure of processing into finished goods has not yet been completed.

	June 30 2021	**December 31 2020**
	NIS in thousands	
Finished goods	17,812	7,640
Goods in process and dried inflorescence	22,214	11,409
Total inventory	40,026	19,049

Note 6 - Biological Assets:

The Company measures biological assets (level 3), which are mostly comprised of medical cannabis plants and agricultural produce, at fair value less selling costs up to the point of harvest. This value serves as the cost basis of inventory after the harvest.

The Company's biological assets are primarily comprised of medical cannabis seedlings and medical cannabis. Presented below are the changes in biological assets during the reporting period:

	June 30 2021	December 31 2020
	NIS in thousands	
Balance as of January 1	3,153	1,145
Costs of growing medical cannabis plants	13,994	10,450
Change in fair value less selling costs	2,446	3,202
Transfer to inventory	(16,360)	(11,644)
Balance as of December 31	3,233	3,153

Disclosure regarding assumptions which were used to estimate the net fair value of biological assets

A. below are the main assumoption used:

	June 30 2021	December 31 2020
Net growing area (in thousands of square meters)	10.5	10.5
Estimate net yield as of the reporting date (tons) (1)	1.9	2.1
Estimated net selling price (NIS per gram) (2)	12-21	12-19
Estimated ratio of products which will be sold as inflorescence (in percent) (3)	85%	85%
Estimated ratio of products which will be sold as oil (in percent) (3)	15%	15%
Estimated growing cycle length (in weeks) (4)	13-15	13-15
Estimated growing cycle completion rate (in percent) (5)	19%	15%
Proportion of plants which do not reach the harvesting stage	8%	8%

(1) According to the number of seedlings as of the end of the reporting period
(2) According to the price range of the Company's existing products as of the end of the reporting period
(3) The Company's estimate regarding the future ratio of sales
(4) In accordance with the Company's experience, and according to the strains which exist as of the reporting date
(5) By planting date vs. growing cycle length

B. Below is a sensitivity analysis on the fair value of the biological assets (in NIS thousands) in respect of a 10% increase in each of the following variables:

	June 30 2021	December 31 2020
	NIS in thousands	
Average selling price	323	315
Proportion of oil products	25	27
Proportion of plants which do not reach the harvesting	(404)	(394)

Note 7 - Investments in Financial Assets Mesured at Fair Value Through Profit or Loss:

A. As of June 31, 2021 and as of December 31, 2020, the Company holds 3,840,617 shares of XTL Biopharmaceuticals Ltd. (hereinafter: "XTL"), which constitute 0.75% of XTL's issued and paid-up capital.

As of the end of the reporting period, the Controlling Shareholder holds 24.95% of XTL shares.

The fair value of these shares as of the end of the reporting period was estimated based on the quoted share price (level 1) as XTL is a publically traded company listed in the Tel-Aviv stock exchange.

The fair value and changes in securities which were classified "Financial assets mesured at fair value through profit or loss" during the reporting periods was as follows:

	June 30 2021	December 31 2020
	NIS in thousands	
Balance as of January 1,	376	177
Changes in fair value carried to the statement of income	131	199
Balance as of June 30,	507	376

B. The Company's investments in biomed companies are revalued at fair value through profit and loss. The fair value is determined according to valuations, which are mostly performed using the OPM method.

	June 30 2021	December 31 2020
	NIS in thousands	
Fair value of the investment in Regenera	-	-
Fair value of the investment in Novellus	3,336	3,141
	3,336	3,141

Note 8 - Operating segment data:

Reconciliation of operating segment data include cancellation of assets of the cannabis segment, addition of the investment in accordance with the equity method, and addition of assets and liabilities which were not attributed to segments.

	NIS in thousands*			
	Cannabis segment	Biomed segment	Reconciliations	Total
Six months ended June 30, 2021				
External revenue	78,281	-	-	78,281
Segment profit (loss)	19,279	326	-	19,605
General and administrative expenses not attributable to segments				(5,301)
Other expenses, net				290
Operating loss				14,594
Segment assets	328,129	3,843	256,514	588,486
Segment liabilities	45,824	-	98,144	143,968

	NIS in thousands*			
	Cannabis segment	Biomed segment	Reconciliations	Total
six months ended June 30, 2020				
External revenue	15,444	-	-	15,444
Segment profit (loss)	241	(39,304)	-	(39,063)
General and administrative expenses not attributable to segments				(6,041)
Other expenses, net				(3,127)
Operating loss				(48,231)

	NIS in thousands*			
	Cannabis segment	Biomed segment	Reconciliations	Total
Three months ended June 30, 2021				
External revenue	45,230	-	-	45,230
Segment profit (loss)	11,127	162	-	11,289
General and administrative expenses not attributable to segments				(2,701)
Other expenses, net				290
Operating loss				8,878
Segment assets	222,808	162	22,040	245,009
Segment liabilities	5,205	-	94,809	100,013

	NIS in thousands*			
	Cannabis segment	Biomed segment	Reconciliations	Total
Three months ended June 30, 2020				
External revenue	11,185	-	-	11,185
Segment profit (loss)	1,847	46	-	1,893
General and administrative expenses not attributable to segments				(2,740)
Other expenses, net				
Operating loss				(847)

	NIS in thousands*			
	Cannabis segment	Biomed segment	Reconciliations	Total
Year ended December 31, 2020				
External revenue	65,035	-	-	65,035
Segment profit (loss)	14,250	(37,195)	-	(22,945)
General and administrative expenses not attributable to segments				(10,892)
Other expenses, net				(4,563)
Operating loss				(38,400)
Segment assets	114,559	3,517	208,194	326,270
Segment liabilities	23,935	-	10,227	34,162

Note 9 - Subsequent events:

A. On July 6, 2021, the Company engaged, in an Agreement to purchase, through Cannolam, “Green-Zone” pharmacy located in Yokneham.
B. On July 6, 2021, the Company engaged, in an Agreement to purchase “Green-Log” wholeseller located in Yokneham.
C. On August 5, 2021, the Company engaged, in an Agreement to purchase “My Club” pharmacy located in Em Haderech.
D. On August 8, 2021, the Company engaged, in a Binding LOI to purchase 51% of “Club Pharm Shely” pharmacy located in Binyamina.

* All of the pharmacies acquired are licenced to sell medical cannabis. Petah Tikva pharmacy is in the process of getting licensed.

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Exhibit 99.3

Management's Discussion and Analysis of Intercure

This Interim Management's Discussion and Analysis ("**MD&A**") is dated August 16, 2021 and provides an analysis of the financial operating results for the three and six months ended June 30, 2021. In this MD&A, references to the "Company", "Intercure", and "we," "us," and "our" are intended to refer to the business and operations of Intercure Ltd. and its subsidiaries, unless the context clearly indicates otherwise. This MD&A should be read in conjunction with the Company's unaudited interim consolidated financial statements and the accompanying notes for the three and six months ended June 30, 2021 (the "**Interim Financial Statements**") and the audited consolidated financial statements and the accompanying notes for the years ended December 31, 2020 and 2019 (the "**Annual Financial Statements**"). The results reported herein have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") and, unless otherwise noted, are expressed in thousands on NIS, except for data otherwise noted that may be presented in USD. The CAD/NIS exchange rate used, unless noted otherwise, was 2.57NIS for 1 CAD.

Non-IFRS Measures

In this MD&A, we use certain non-IFRS financial measures to measure, compare and explain the operating results and financial performance of Intercure. These measures are commonly used by companies operating in the cannabis industry as useful metrics for measuring performance. However, they do not have any standardized meaning prescribed by IFRS and are not necessarily comparable to similar measures presented by other publicly traded entities. These measures should be considered as supplemental in nature and not as a substitute for related financial information prepared in accordance with IFRS. Intercure defines such financial measures as follows:

"Adjusted EBITDA" means EBITDA adjusted for changes in the fair value of inventory, share-based payment expense, impairment losses (and gains) on financial assets, non-controlling interest and other expenses (or income); **"EBITDA"** means net income (loss) before interest, taxes, depreciation and amortization; and **"Run Rate Revenue"** means revenue, annualized irrespective of the length of the applicable period.

All amounts are expressed in New Israeli Shekels (NIS) or Canadian dollars ($), unless otherwise noted.

Forward-Looking Statements

This MD&A 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. 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 Israeli 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" in Subversive Acquisition LP's final long form prospectus dated March 15, 2021 (the "Prospectus"), which is available on SEDAR at www.sedar.com. 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.

Cannabis Sector
Q2 Highlights

• Achieved record revenue of NIS 45 million ($17 million), four times greater than the second quarter of 2020 and up 37% compared to the first quarter of 2021.

• EBITDA for the second quarter of the Company's cannabis business was NIS 12 million ($5 million), and NIS 11 million ($4 million) on a consolidated basis. This represents an annual run rate of close to NIS 50 million ($20 million), a significant increase year over year, driven by revenue growth, improvement in gross profit and operating profit.

• Positive cash flow from operations for the fourth consecutive quarter.

• Strong balance sheet with NIS 201 million ($78 million) cash on June 30, 2021.

• Generated Pro forma* second quarter revenues on a full quarterly operating basis of NIS 55 million (over $21 million), representing a run rate of NIS 220 million ($86 million).

• Recorded a continued increase in operating profit, EBITDA and net profit.

• Positive cash from operations 4th quarter consecutively.

• Continued to grow market share due to solid demand for Canndoc's branded products, expansion of its medical cannabis dispensing operation and continued improvement across all facets of the business, including same store sales (SSS) increase.

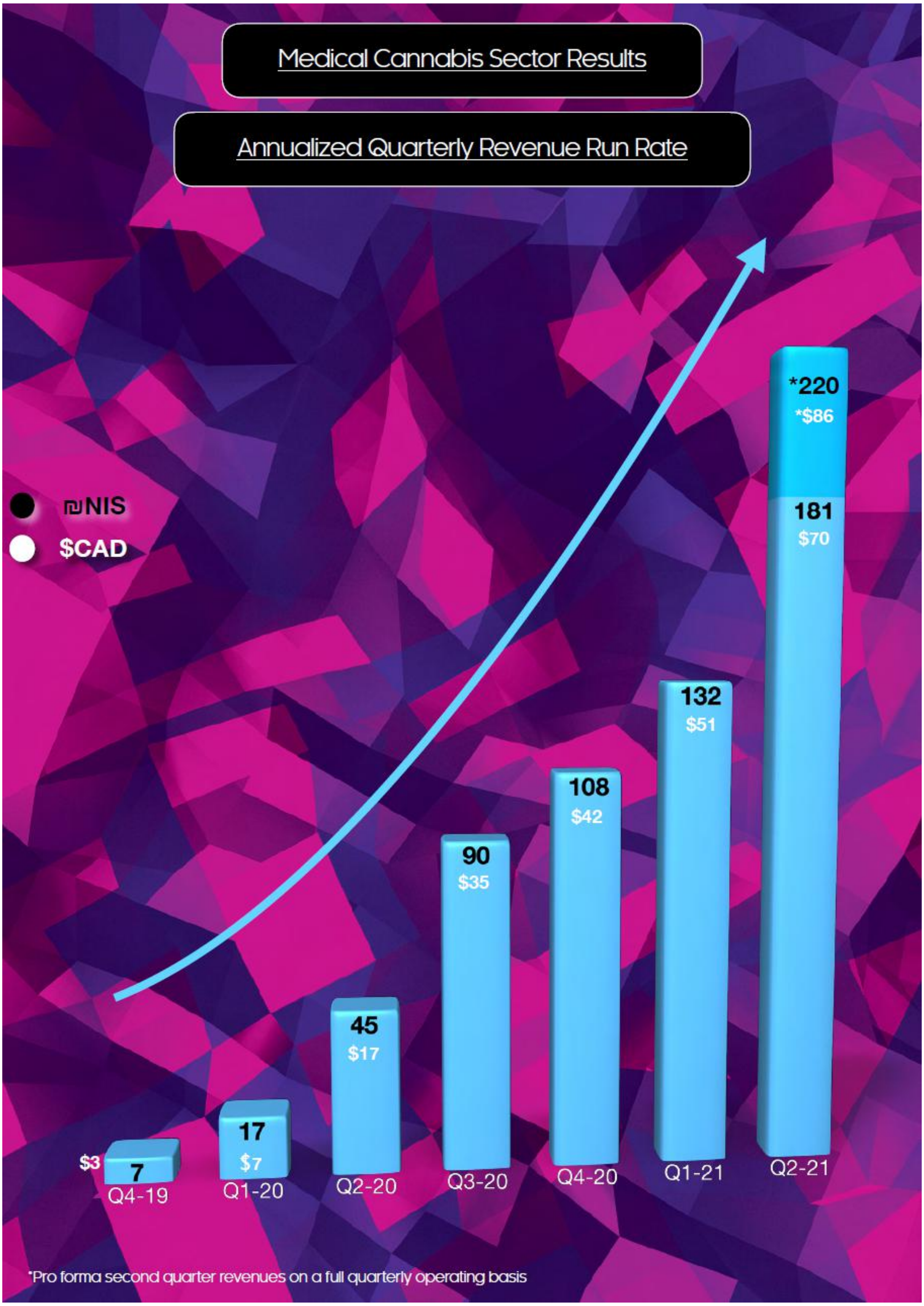
• Added **three** additional medical cannabis license pharmacies bringing total retail locations to **eight**. Expansion of the Company's medical cannabis dispensing operation is expected to continue and accelerate in the third quarter and throughout the remainder of 2021.

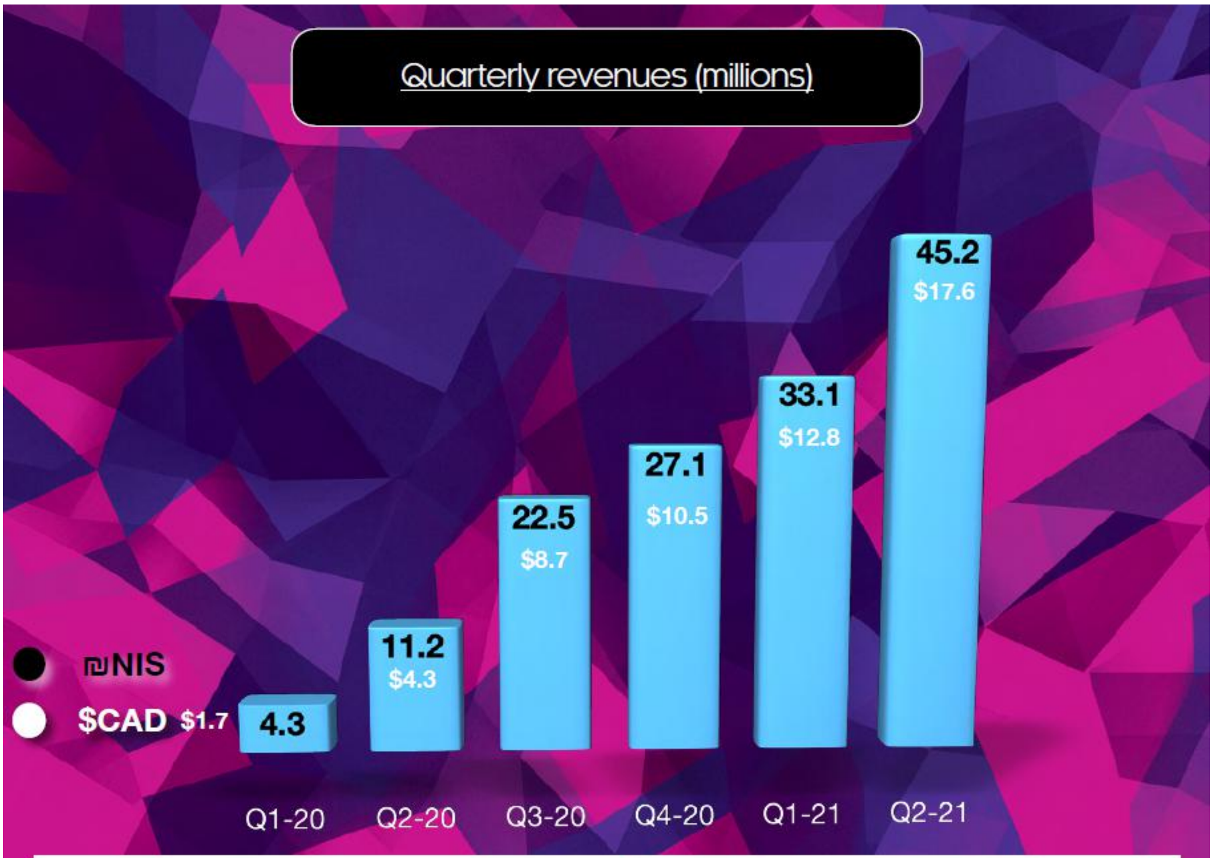
• Successful launch of the first ever Cookies™ GMP premium products exclusively cultivated and manufactured in the Company's advanced southern facility.

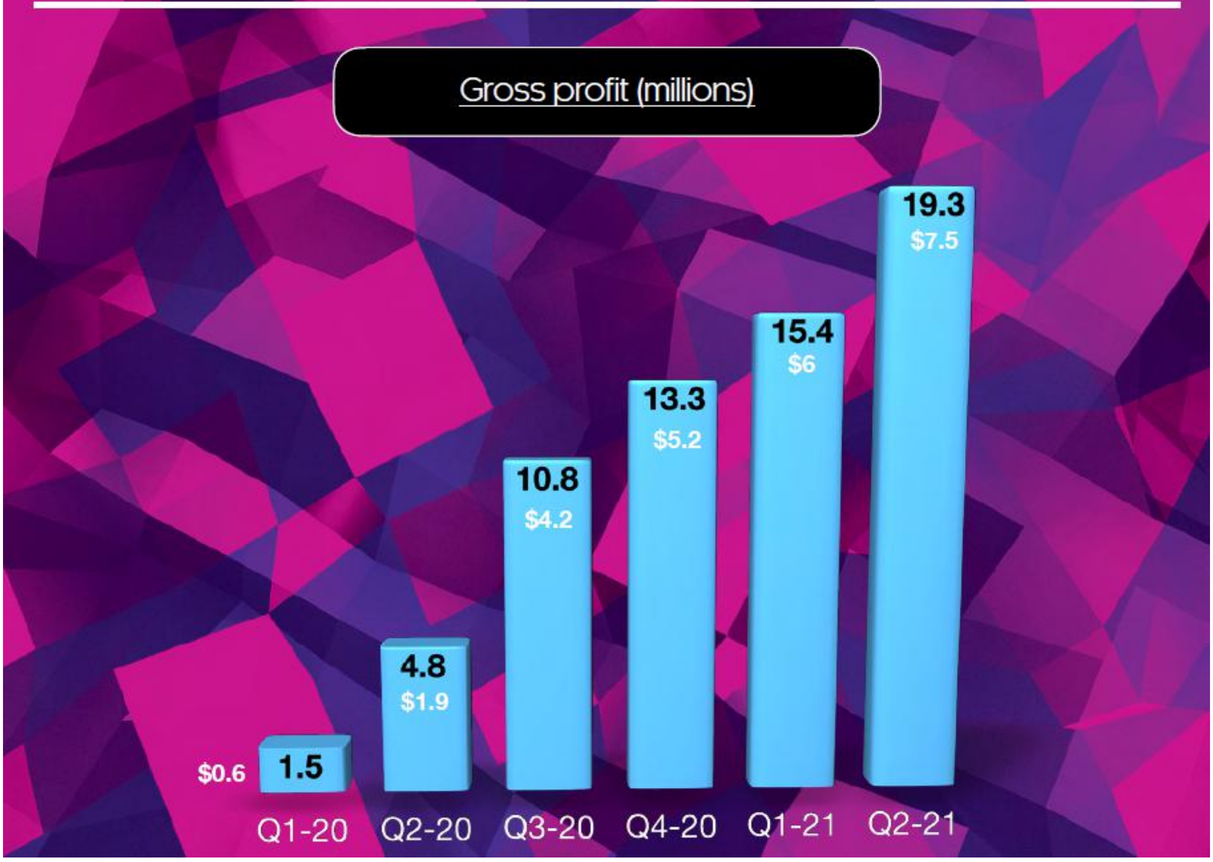
• Solid international demand for InterCure's GMP branded products expected to boost global expansion as Ministry of Economy announced easing regulation for medical cannabis exportation.

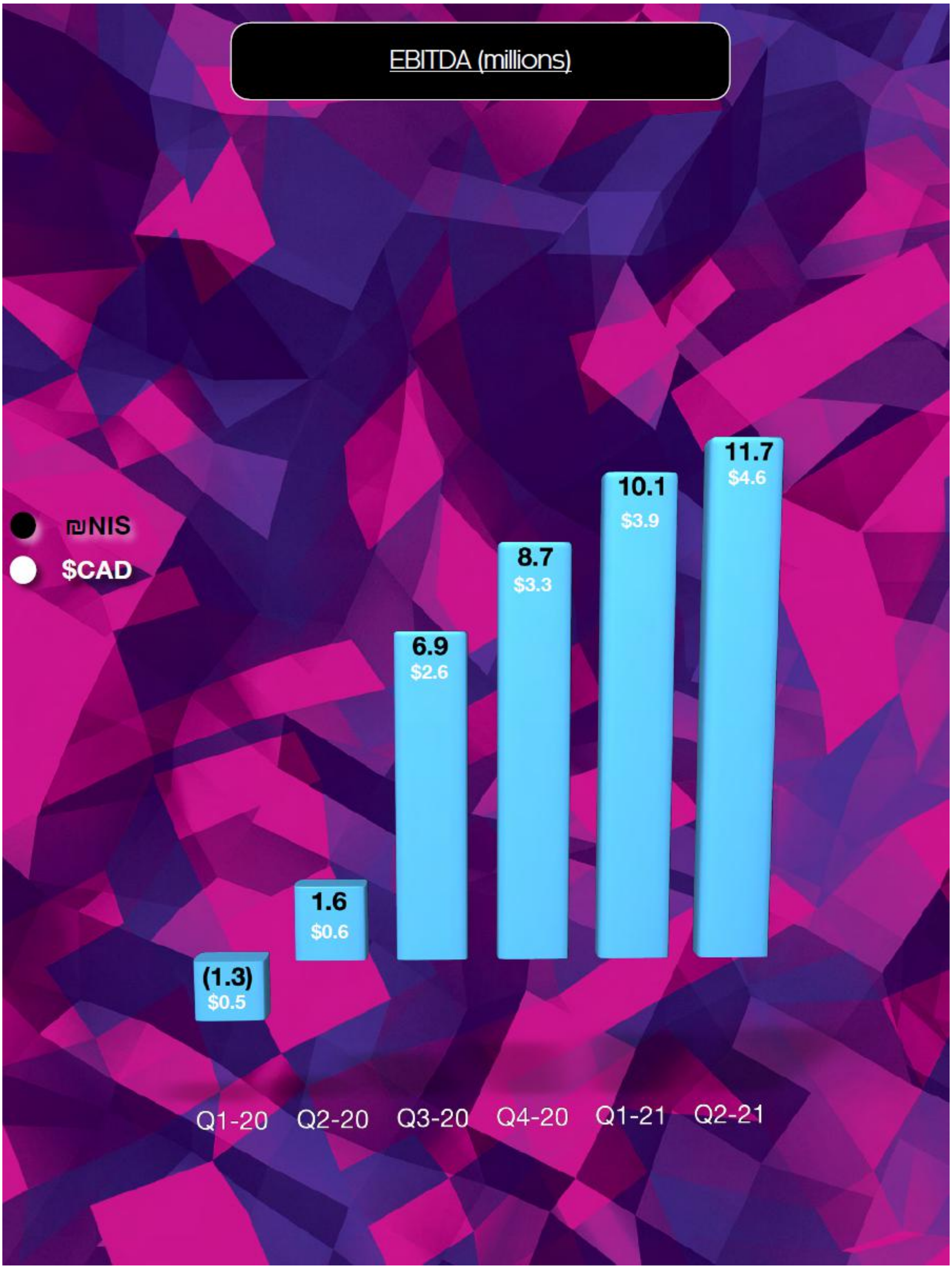
• Legislation of adult use cannabis and CBD products in Israel progresses as a new government sworn into office in June 2021.

• Revenue growth is expected to continue in the third quarter and throughout 2021.

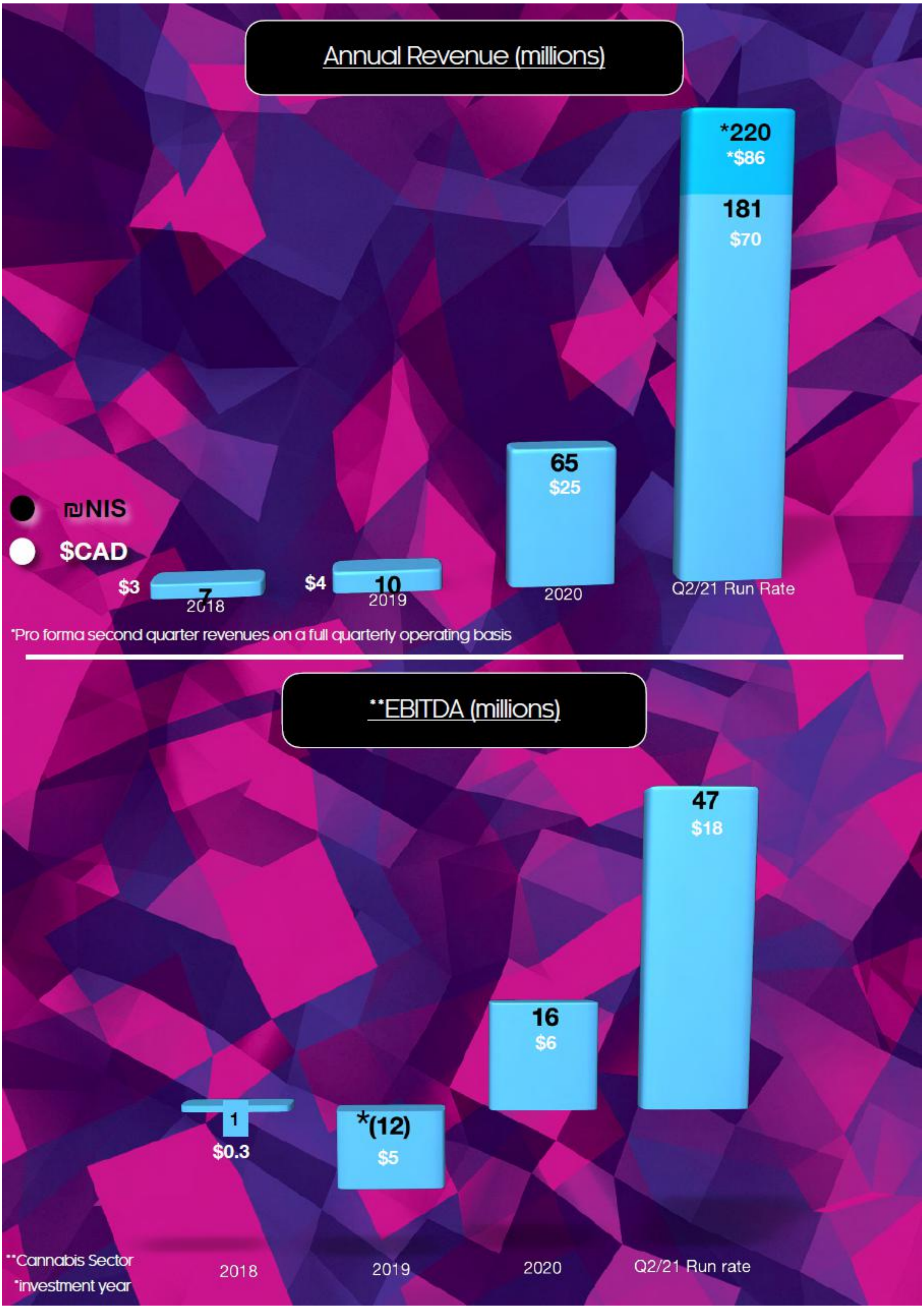

Medical Cannabis Sector Results
Annualized Quarterly Revenue Run Rate
₪NIS
$CAD
$3
7
17
$7
45
$17
90
$35
108
$42
132
$51
181
$70
*220
*$86
Q4-19
Q1-20
Q2-20
Q3-20
Q4-20
Q1-21
Q2-21
*Pro forma second quarter revenues on a full quarterly operating basis


Quarterly revenues (millions)
₪NIS
$CAD
$1.7
4.3
11.2
$4.3
22.5
$8.7
27.1
$10.5
33.1
$12.8
45.2
$17.6
Q1-20
Q2-20
Q3-20
Q4-20
Q1-21
Q2-21


Gross profit (millions)
$0.6
1.5
4.8
$1.9
10.8
$4.2
13.3
$5.2
15.4
$6
19.3
$7.5
Q1-20
Q2-20
Q3-20
Q4-20
Q1-21
Q2-21



EBITDA (millions)
₪NIS
$CAD
(1.3)
$0.5
1.6
$0.6
6.9
$2.6
8.7
$3.3
10.1
$3.9
11.7
$4.6
Q1-20
Q2-20
Q3-20
Q4-20
Q1-21
Q2-21


Annual Revenue (millions)
*220
*$86
181
$70
65
$25
₪NIS
$CAD
$3
7
2018
$4
10
2019
2020
Q2/21 Run Rate
*Pro forma second quarter revenues on a full quarterly operating basis
**EBITDA (millions)
47
$18
16
$6
1
$0.3
*(12)
$5
**Cannabis Sector
*investment year
2018
2019
2020
Q2/21 Run rate


CANNDOCdiamonds
THE ORIGINAL
דה אוריג'ינל
PURPLE DOGBUD
Purple Dogbud
פרפל דוגבאד
GORILLA GLUE
גורילה גלו
10g


CANNDOC
Cali
SWEET LEMON DIESEL
10g
HAWAIIAN
BUBBLE GUM
ICE CREAM CAKE
GG5
OG KUSH

EXCLUSIVE
GRANDIFLORA
GENETICS
Melo natta
Melo natta
מלונאטה
תפרחות קנביס רפואי
IMC-Medical Grade | Cannabis Inflorescences
סאטיבה T20/C4 SATIVA
THC RICH
10g


CANNDOC
STARS
SKYWALKER OG
JACK HERER
SOUR KUSH
SUPER LEMON HAZE
10g
aphria


CANNDOC™ Indoor
PHARMA GRADE PIONEERS
ULTRA SOUR
KANATA
HASHPLANT
AGADIA
10g


CANNDOC™
UTOPIA
Alpha
Medical Cannabis Flowers
10g
for use by inhalation
Queen Jackie
Lemon Kush

Company Overview

We are an Israeli public corporation with shares dual listed for trading on the Tel Aviv Stock Exchange under the symbol “INCR” and on Toronto Stock Exchange under the symbol “INCR:U”. We are in the last stages of listing our ordinary shares on the NASDAQ exchange under the symbol “INCR”.

We have two main direct subsidiaries, Canndoc Ltd. (“**Canndoc**”) and Cannolam Ltd. (“**Cannolam**”). We currently own all of the issued and outstanding shares of Canndoc, 50.1% of the issued and outstanding shares of Cannolam and other holdings in additional pharmacies and trade houses. Unless otherwise specified, references in this section to “we”, “our” and “us” refer to the business of Intercure and its subsidiaries.

We are a pioneer in the production (including the breeding, cultivating, and processing), manufacturing and distribution of pharmaceutical-grade cannabis and cannabis-based products for medical use. For more than 13 years, we have been a leader in the licensed production and distribution of cannabis and cannabis-based products throughout Israel, one of the first countries with a governmentally sanctioned regime for the production, manufacturing, and distribution of cannabis for medical use. Our goal is to be a global leader in the production and distribution of high-quality pharmaceutical-grade cannabis and cannabis-based products to patients in all territories that permit and regulate the distribution of cannabis for medical use, including Israel, the European Union and Canada.

Since the beginning of 2020, we have focused on accelerating and growing our commercial activity in major markets around the world. As part of this strategy, we have entered into exclusive collaborations with the largest international cannabis companies in the world including Tilray, Organigram, Aphria, Fotmer and Charlotte’s Web. These strategic agreements serve to advance our capabilities and emphasize our focus on delivering premium quality and branding to Israel and other target markets. We have expanded cooperation agreements for the production, marketing and distribution of our products in countries with supportive regulations such as Germany, the United Kingdom, Canada and more, all of which are pending the permanent approval of commercial cannabis exports from Israel.

Through Cannolam, we operate the private chain Givol™ which is the first and leading chain of pharmacies focused on medical cannabis in Israel. The chain currently includes thirteen pharmacies across Israel. In addition, the chain operates a nationwide ordering and delivery system that serves the entire medical cannabis patient community in Israel. Eight of the pharmacies holds permits and licenses for the distribution of medical cannabis and we are in the process of obtaining those licenses.

Additionally, during the second quarter of 2021, we completed the purchase of a licensed leading operating trading house which will expand our sales channel, distribution, delivery, and storage capacity. The trading house is authorized to distribute GMP medical cannabis products to pharmacies.

Our production system, assuming that the facilities operate at their maximum capacity, and all regulatory approvals are received, allows for a maximum production capacity of over 100 tons of high-quality medical cannabis. This system enables us to be flexible and efficient, and to meet the standards required to execute commercial exports from Israel and to serve growing demand in Israel and around the world.

In 2019, we invested significant resources to upgrade and expand our production systems and establish a global network of advanced production facilities that meet the quality requirements and strict standards across target markets. In December 2020, we were granted a permit by the Israeli Ministry of Health (the “**MOH**”), as part of a cannabis-export pilot program,[1] for the commercial export of its products to Tilray as part of a strategic partnership between the companies. The export permit was obtained after the Company secured an import permit from the Portuguese authorities, demonstrating its products complied with the requirements of European regulation in Portugal and the EU-GMP standard. The export request is a continuation of the developments that have taken place in Israel in recent months and the Company’s preparations for exporting its products.[2]

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[1] **Note**: during the fourth quarter of 2020, the Israeli government, as part of a pilot project to issue export permits for licensed producers, granted us a temporary export permit. The pilot program (as well as our temporary export permit) was set to expire on December 31, 2020, but was subsequently extended.

[2] **Note**: We received an export license in the fourth quarter of 2020, which was subsequently extended.

The new Minister of Economy also enacted an ease on exporting GMP grade medical cannabis and CBD products from Israel. Combined with solid international demand for InterCure's GMP branded products, the new regulations are expected to boost the Company's global expansion. InterCure's leadership and brand equity in international target markets, including Europe, position the Company for long term growth in these emerging markets.

We believe in the uncompromising quality of our products and we are leading the trend towards the pharmaceutical standard in the medical cannabis industry, both through a high quality, advanced production system and through extensive research and development with nine clinical studies approved by the MOH and one active phase 3 clinical trial. We have acquired a unique knowledge throughout our 13 years of experience operating in the cultivation, growth and genetics of cannabis strains. Combined with our analyses of patient use and experience data, we are uniquely positioned to enter into research collaboration agreements with leading organizations and companies. In addition, we have invested in a production system that adheres to the strictest regulatory and quality standards. In doing so, we achieve the highest standard of product quality for our patients and for commercial research collaborations. We believe this will enable us to enter into future partnerships and agreements with pharmaceutical companies.

On April 5, 2021, we signed a non-binding letter of intent to acquire 100% of the Israeli activity of Cann Pharmaceutical Ltd. ("**Cann**") which holds the rights for cultivation and marketing medical cannabis products under the brand "Better", one of our competitors and a pioneer in the Israeli medical cannabis market, with operations in Australia and several Asian countries. The transaction is subject to satisfaction of due diligence and signing of a definitive agreement. Pursuant to the letter of intent, we will allocate Cann shareholders a number of our ordinary shares with a value of $35 million. The allocated shares will be subject to a contractual lock-up for a period of three years, with one-third of the shares being released from lock-up every year (with a moderate monthly exercise mechanism).

We, through our wholly-owned subsidiary, Canndoc, and our 50.1% interest in Cannolam, operate primarily in the cannabis sector ("**Cannabis Sector**"). In addition, we, as a result of our operations prior to our acquisition of Canndoc, have financial assets in the biomed sector that were made for investments purposes and do not represent a material focus of our current business ("**Biomed Sector**"). Our only reporting segment as of the date of this MD&A is the medical cannabis sector which generates 100% of our revenue.

NASDAQ Listing

On July 14, 2021, we published our 20-F registration statement and F-1 registration statement and amendment for those statements on August 3rd 2021 after implementing the U.S. Securities Exchange Commission (the "**SEC**") comments.

The Company believes that the NASDAQ listing will enable the Company to broaden its global exposure through the world's largest capital market, enhancing shareholder value. The Company believes that the listing will provide current investors with additional liquidity and prospective investors with better access to one of the leading and most profitable international cannabis companies outside of North America.

Qualified Transaction

On February 9, 2021, we entered into an amended and restated definitive agreement (hereinafter: the "**Arrangement Agreement**") with Subversive Acquisition LP (formerly Subversive Acquisition REIT LP), a limited partnership established under the Limited Partnerships Act (Ontario) and a special purpose acquisition company (SPAC) ("**Subversive LP**"). As a SPAC, Subversive had limited operational activity.

Pursuant to the Arrangement Agreement, on April 23, 2021 our subsidiary acquired all of the outstanding limited partnership units of Subversive LP, in exchange for our ordinary shares by way of a plan of arrangement (the "**SPAC Transaction**"). At the closing of the SPAC Transaction, which occurred on April 23, 2021, the Company issued 15,650,280 ordinary shares to Subversive LP unit holders, including those that participated in the concurrent private placement. 5,243,616 of our ordinary shares were allocated as part of the SPAC Transaction and are subject to forfeiture unless the Company's ordinary shares are listed on NASDAQ and obtain a target weighted average price per share of $13.00 (subject to appropriate adjustments) for any five (5) consecutive trading days during the thirty (30) trading days after the shares are traded on NASDAQ. Total net funds raised from the SPAC Transaction, after redemptions, and the private placement equaled USD $56 million (excluding transaction related expenses).

Key Q2 2021 Financial Highlights – Cannabis Sector

	Q2-20	Q2-21	Change (%)
Revenues	11,185	45,230	304%
Gross Profit (1)	4,814	19,268	300%
% Gross Profit	43%	43%	—
Operating Profit	(847)	11,127	1414%
Adjusted EBITDA (2)	1,582	11,701	640%
Net Cash from Operating Activities (consolidated)	**(4,007)**	**2,005**	**—**

(1) Gross profit before effect of fair value.

(2) EBITDA adjusted for changes in the fair value of inventory, share-based payment expense, impairment losses (and gains) on financial assets, non-controlling interest and other expenses (or income). This is a non-IFRS financial measure and does not have a standardized meaning prescribed by IFRS. See "Non-IFRS Measure".

- Achieved record revenue of NIS 45 million (CAD$17 million), four times greater than the second quarter of 2020 and up 37% compared to the first quarter of 2021.
- EBITDA for the second quarter of the Company's cannabis sector was NIS 12 million (CAD$5 million), and NIS 11 million (CAD$4 million) on a consolidated basis. This represents an annual run rate of close to NIS 50 million (CAD$20 million), a significant increase year over year, driven by revenue growth, improvement in gross profit and operating profit.
- Reported positive cash flow from operations for the fourth consecutive quarter.
- Strong balance sheet with NIS 201 million (CAD$78 million) cash on June 30, 2021.

Review of the Company's Operations

a. Expansion of the Medical Cannabis Dispensing Operation

We, through Cannolam, operate the private chain Givol™ which is the first and leading chain of pharmacies focused on medical cannabis in Israel. The chain currently includes thirteen pharmacies across Israel, eight of which are licensed to dispense medical cannabis. In addition, the chain operates a nationwide ordering and delivery system that serves the entire medical cannabis patient community in Israel.

During the reported period, we, through Cannolam, purchased three pharmacies (part of the 13 pharmacies mentioned above) located in major cities across Israel. We purchased 100% of two pharmacies and 51.1% of the third pharmacy. The operations of the three pharmacies were consolidated in our Q2 financials (based on the date of the purchase). After the date of the balance sheet (July 1st and up to date of this MD&A) we entered into transactions to purchase additional 3 pharmacies and active trading house, which those activities would be consolidated in our Q3 financials. The purchase price for each pharmacy was immaterial to the Company.

In addition, during the period and up to the date of publication of this MD&A, we purchased 100% of one of the leading operating trading houses in Israel, which is authorized to distribute GMP medical cannabis products to pharmacies. The purchase of the trading house will support our vertically integrated model and be an addition to our existing distribution channels. The operation of the trading house was partially consolidated in Q2 financials (based on the date of the purchase). The purchase price of the trading house was immaterial to the Company.

b. Exclusive Partnerships with Global Leaders

We have entered into the following partnerships, all of which provides us with exclusive relationships to distribute the noted products within certain geographical areas:

Cookies is one of the most well-respected and top-selling cannabis brands in California and throughout the world. The company and its product are recognized globally and offer a collection of over 150 proprietary cannabis varieties and product lines.

Cannolam entered into an exclusive license agreement with Cookies in 2019 by which Cannolam will have the exclusive rights to use the Cookies brand in Israel. Cannolam opened a Cookies branded pharmacy in Jerusalem and is expected to open an additional branded pharmacy in Be'er Sheva during the second quarter of 2021

In April 2021, we expanded our partnership with Cookies by entering into a letter of intent to expand the Cookies brand into Europe. According to the letter of intent, we will establish joint ventures in European countries that will focus on cultivating, manufacturing, and distributing Cookies branded products. In addition, we will cultivate Cookies branded products at our southern facility in Israel which we also plan will supply Cookies products to Cookies stores throughout Europe.

Tilray Inc. (NASDAQ: TLRY) ("**Tilray**") is a global pioneer in the research, cultivation, production, and distribution of cannabis and cannabinoids, currently serving patients and consumers in 16 countries spanning five continents.

In December 2019, we established a strategic collaboration with Tilray for the purpose of providing us with access to existing and potential markets in Tilray's operating territories. The collaboration between us and Tilray consists of a set of agreements with Tilray Portugal Unipessoal Ltd., a wholly-owned subsidiary of Tilray, pursuant to which, Tilray will import GMP-quality medical cannabis products from us (the "**Tilray Agreements**"). Tilray's facility in Portugal has an annual maximum production capacity of 25 metric tons of cannabis.3

As of the date of the MD&A, we agreed with Tilray that we are entitled to additional shipments of cannabis products, subject to both parties obtaining the required permits. In this regard, in July 2021 we successfully completed the import of additional shipment to Israel and the product sales for that shipment commenced in August 2021. Together with Tilray, we are exploring several more potential shipments.

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[3] **Source**: ttps://mjbizdaily.com/canadas-tilray-build-marijuana-production-arm-portugal-serve-eu/

The Tilray Agreements provide us with a seven-and-a-half year exclusivity period over all of the final Tilray-branded products sold in Israel.

<u>Tilray's Cantanhede site in Portugal</u>

ORGANIGRAM

Organigram, Inc. (NASDAQ: OGI) (TSX: OGI) ("**Organigram**"), is a leading licensed producer of cannabis.

In June 2020, we entered into a contractual relationship with Organigram for the purpose of collaborating to develop, import and export medical cannabis products in the state of Israel and across Europe (the "**Organigram Agreement**"). Organigram's facility located in New Brunswick has a potential annual capacity of 70 tons.

The Organigram Agreement specifies that, subject to obtaining the required permits, we will import from Organigram 3,000 kilograms of medical cannabis products from Organigram's advanced indoor facility in Canada ("**Indoor Products**") within a period of 18 months (the "**Organigram Initial Period**"). In accordance with the Organigram Agreement, we will produce and market the medical cannabis products imported from Organigram in pharmacies throughout Israel and Europe. We will be provided with the option to import from Organigram an additional 3,000 kilograms per year of medical cannabis products for a period of two years from the end of the Organigram Initial Period, under the same terms and conditions as those in place during the Organigram Initial Period. These products will be marketed under our "Canndoc Indoor" brand and we, and Organigram, will examine the possibility of selling these products under a joint brand, in compliance with and subject to the Israeli Medical Cannabis agency's ("**IMCA**") instructions. We will then manufacture and transform the imported product into Canndoc's GMP-branded product. Final products will be distributed by Canndoc's distribution channels to all pharmacies in Israel. In August 2020, we successfully imported our first shipment of the noted products from Organigram into Israel and successfully launched the "Canndoc Indoor" family of products.

The Organigram Agreement provides us with an aggregate of up to a seven-and-a-half year exclusivity period (in addition to certain other rights and subject to certain conditions) over all of the final Organigram-branded products sold in Israel.

Organigram's Indoor site (Moncton Campus) in Canada

Aphria Inc. (NASDAQ: APHA) (TSX: APHA) ("**Aphria**") is one of the largest leading worldwide cannabis production companies, with its "Diamond Facility" in Leamington, Ontario being one of the biggest and most advanced cannabis facilities in the world, and having an annual production capacity of 140 metric tons.

In August 2020, we entered into an agreement with Aphria (the "**Aphria Agreement**") for the import of bulk cannabis products from Aphria's facility in Canada into Israel. Pursuant to the Aphria Agreement, we will purchase from Aphria's production facility in Canada, and import into Israel, up to 3,000 kilograms of "bulk" quality medical cannabis for a period of two years ("**Aphria Initial Period**"). We have the option to import up to 6,000 kilograms of additional product from Aphria for two additional periods of two years each. This option begins at the time on expiry of the Aphria Initial Period and under the same terms and conditions as during the Aphria Initial Period. We will then manufacture and transform the imported product from into Canndoc's GMP-branded product. Final products will be distributed by Canndoc's distribution channels to all pharmacies in Israel. In November 2020, we successfully imported our first shipment of the noted products from Aphria into Israel and successfully launched the "Canndoc Stars" family of products.

The Aphria Agreement provides us with an aggregate of up to a seven-and-a-half year exclusivity period (in addition to certain other rights and subject to certain conditions) over all of the final Aphria-branded products sold in Israel.

Aphria's Diamond Site in Canada

Charlotte's Web Inc. (TSX: CWEB) (OTCQX: CWBHF) ("**Charlotte's Web**") is the owner of one of the largest worldwide CBD brands.

In December 2020, we entered into a collaboration with Charlotte's Web, under which we will be the sole partner of Charlotte's Web in Israel, and through which its products will be marketed in Israel under a joint brand for the Israeli market, subject to certain conditions, including certain regulatory matters within central European countries and England (the "**Charlotte's Web Agreement**"). The arrangement is subject to the receipt of the required regulatory agreements.

We will be responsible for obtaining the regulatory approvals required in order to register the purchased products and their importation and will take appropriate marketing and sales actions. Together with Charlotte's Web, we will explore opportunities for clinical trials, product development and Israeli product manufacturing.

The Charlotte's Web Agreement is for a period of five years (with a one year extension option) from the date that CBD is removed from the Israeli Dangerous Drug Ordinance [New Version], 5733-1973 (which has yet to occur).

Fotmer Corporation S.A. ("**Fotmer**") is a corporation established in Uruguay that cultivates and produces medical cannabis at an internationally high level. In December 2020, we entered into an agreement with Fotmer, under which we will import from Fotmer approximately 3,000 kilograms of quality medical cannabis products, each year for a period of four years (the "**Fotmer Agreement**").

During August 2021 we completed the first import shipment from Fotmer. We expect to commence sales of the products during Q3 2021. Together with Fotmer, we are working on several more potential shipments.

Subject to the terms set out therein, the Fotmer Agreement provides us with a seven-and-a-half year exclusivity period over all of the final Fotmer-branded products sold in Israel.

c. Global Production System

As of the date of this MD&A, our production capacity, assuming that the facilities operate at their maximum capacity, and all regulatory approvals are received, produces over 100 tons of GMP-certified pharmaceutical-grade cannabis. In addition, through strategic partnerships with leading license producers, we may have access to additional high quality medical cannabis on demand.

Israeli Production Facilities

Through our partnership with Kibbutz Nir-Oz we operate one of the largest medical cannabis production sites in Israel and in the world, covering a total area of 1.7 million square feet, of which 300,000 square feet are operational and produce up to 10,000 kilograms of pharmaceutical-grade cannabis per year. Full operations in the Southern Kibbutz will allow us to produce 88 tons of pharmaceutical-grade cannabis per year. The development of the southern site is carried out in a modular manner in accordance with the regulatory developments concerning the export of medical cannabis from Israel.

Through our partnership with Beit HaEmek Kibbutz, we own and operate our primary production facility, located in northern Israel, utilizing climatized greenhouses. This site currently occupies approximately 55,000 square feet with the capacity to produce up to 3,000 kilograms of pharmaceutical-grade cannabis per year.

Canndoc – new genetics - CANNDOC Cali™ cultivated in Canndoc’s advanced southern facility

Denmark

In May 2020, we entered into an EU-GMP distribution agreement with a Danish partner for the production of up to 11.7 tonnes of cannabis per year for a period of 3 years. As part of this agreement, we will manufacture our products in a facility located in Denmark. This manufacturing facility is approved by the Good Manufacturing Practice of the European Union (“**EU-GMP**”) standard and has all the licenses and permits required for the cultivation, production, distribution and marketing of cannabis. The manufacturer will be responsible for the entire growth and production process of the products, as well as the logistical process of transporting and packaging the products in accordance with all applicable legal requirements. The partner will be entitled to a portion of the profits generated as a result of the sales made through our distribution channel. This facility is operational and we are currently in the process of obtaining approval for importing products from Denmark to Germany with this partner. As of the date of this MD&A, no sale of products has commenced and this partnership does not impact our financial statements in any way.

Canada

In May 2019, we entered into a partnership with a Canadian company that is in the advanced stages of building an indoor complex for the production and distribution of cannabis products for medical use in Canada. We established a joint venture with the Canadian partner, which pursuant to the joint venture agreement, will entitle us to 51% of the profits generated from the sale of our products. The production and distribution of the products will be done under the “CANNDOC” brand while the marketing of the products will be done by the partner. While this facility is operational for cultivation, it has not yet received all of the licenses and permits required for the sale of products. As of the date of this MD&A, no sale of products has commenced and this partnership does not impact our financial statements in any way.

d. Sales and Distribution

Israel

Under current regulations, patients in Israel fill prescriptions directly from a registered pharmacy. Our products meet all of the IMCA standards and are permitted to be sold within all registered pharmacies across Israel that are otherwise permitted to dispense medical cannabis to patients. We sell our products through pharmaceutical distributors and licensed retail pharmacy locations where patients can fill their prescriptions on-site or have our products delivered directly to their residence. Under the old regulations, the IMCA instituted a fixed price for the monthly supply of cannabis products, regardless of the dosage or form of use. Under the current regulations, the price of cannabis products is not fixed and will be determined primarily by market demand.

We have developed wholesale supply relationships with government and academic research institutions and private businesses throughout Israel and these relationships require minimal selling, administrative and fulfillment costs. We believe there is potential for the wholesale of finished, packaged products to other licensed producers, and we intend to pursue this sales channel as a part of our growth strategy.

SLE

In September 2019, we entered into a distribution agreement with SLE, a subsidiary of Teva Group Pharmaceutical Industries Ltd., a leading Israeli company in the health services field (the "**SLE Agreement**").

Pursuant to the SLE Agreement, SLE will provide us with logistics, storage, collection and distribution services for our medical cannabis products throughout Israel for a term of three years, with two optional extensions of two years each. SLE holds an IMC-GDP distribution license and possesses an advanced logistics facility.

Novolog

In December 2020, we entered into a distribution agreement with Novolog, a leading Israeli company in the logistic health services field.

Pursuant to the noted agreement, Novolog will provide us with logistics, storage, collection and distribution services for our medical cannabis products throughout Israel for a term of three years, with two optional extensions of two years each. Novolog holds an IMC-GDP distribution license and possesses an advanced logistics facility.

Super-Pharm

In March 2020, we entered into a binding preliminary distribution agreement with Super-Pharm Ltd. ("**Super Pharm**"), the largest chain of pharmacies in Israel (which operates approximately 260 pharmacies) (the "**Super Pharm Agreement**"). Super Pharm currently operates 60 pharmacies that sell cannabis for medical purposes (the "**Super Pharm Pharmacies**"). Pursuant to the Super Pharm Agreement, Super Pharm agreed to purchase from us, and we agreed to sell to Super Pharm, 10,000 kilograms of our medical cannabis products for a period of 3 years. The Super Pharm Agreement requires our products to be in compliance with the Israel Medical Cannabis-Good Manufacturing Practice standards.

The parties to the Super Pharm Agreement have covenanted to negotiate in good faith and enter into a detailed agreement within 90 days from the date of the Super Pharm Agreement. The parties, by mutual agreement have agreed to extend the said period to September 30, 2021 and negotiations of the detailed agreement remain ongoing.

Pursuant to the Super Pharm Agreement, Super Pharm will be responsible for distributing the final products to each individual Super Pharm pharmacy, while we will provide professional training and clinical knowledge about our products to Super Pharm and Super Pharm Pharmacies over the term of the agreement.

International

Germany

In June 2019, we entered into a non-exclusive distribution agreement with a licensed distributor in Germany, for the purpose of distributing our pharmaceutical-grade products within Germany (the "**German Distribution Agreement**"). The German Distribution Agreement contains customary obligations, intellectual property, confidentiality and indemnification provisions. Each party to the German Distribution Agreement is entitled to terminate the German Distribution Agreement in the event of an uncured material breach of the agreement, the insolvency of the other party or a change of control event.

Austria

On April 4, 2021, we entered into a partnership with an Austrian entity to operate together in the developing cannabis markets in Austria and Luxembourg. Pursuant to the agreement, the partnership will replicate the successful model of our subsidiary Canndoc in Israel to establish and manage the distribution, marketing, and sales of the company's products in selected countries in Europe. The partnership's planned operations will be vertically integrated and will include both online and retail distribution for our branded products. The Austrian entity has committed to invest €10 million in an Austrian joint venture, which will be equally owned by the parties, with an option for the Austrian entity to increase its shares to 51% of all outstanding shares of the joint venture at any time.

e. Research and Development

We believe that innovation is a key component of our competitiveness and growth in the medium and long-term and is driven by market research and analysis of potential new products and the development of new technologies. We engage in the research of agricultural techniques that utilize climatic advantages and our agrotech capabilities to improve the yield of cannabis plants in their production of various cannabinoids. Our research and development programs have also involved the development of high- quality protocols, elite genetics with improved disease and stress resistance, compound fractional distillation and separation and advanced formulation methods.

Since 2014, we have collaborated with various world-renowned research institutions, such as Technion – Israel Institute of Technology, Volcani Center (the research arm of the Israeli Ministry of Agriculture) and other universities and institutions accredited by the Israeli Council for Higher Education. As a result of these collaborations, we have enhanced our production capabilities, improved and optimized our genetics, and developed additional cannabinoid profiles. Our research and development operations also include collaborations with a renowned governmental institute as well as various research entities, researchers, start-up companies, mature companies and commercial entities holding licenses from the IMCA.

Clinical Trials

Based on our information and experience in providing medical cannabis to patients, we developed a broad and advanced clinical research program based on GMP - quality products approved by the IMCA.

During November 2019, we began clinical research with the Research and Development Foundation of the Shamir Medical Center (Assaf Harofeh) and with a principal investigator on his behalf to examine the effect of medical cannabis products on autism spectrum disorder in children. The study will be conducted at Assaf Harofeh Hospital, is expected to include about 100 participants and will last a period of 24 months.

We received the approval of the IMCA to conduct nine advanced clinical trials based on additional medical cannabis products in the IMC-GMP standard in strategic collaboration with leading medical centers in Israel. As part of the clinical trials, we will serve as the initiator of the clinical trials conducted by the research partners. The program includes clinical trials of the company's products on a variety of medical indications (epilepsy, fibromyalgia, neuropathic pain, side effects of chemotherapy in cancer patients, Parkinson's, rheumatoid arthritis, radicular pain, post-trauma) and radiculopathy (PTSD).

In addition, we submitted an application for approval of a clinical study to examine the effect of cannabis use on the dose and / or frequency of opioid use in collaboration with Sheba Hospital.

The studies are phase 2 studies and are performed randomly, double-blind and placebo-controlled (randomized, placebo-controlled, double-blind) as is customary in pharma studies according to FDA requirements, with dozens of subjects participating in each clinical study. It should be noted that due to the coronavirus Covid 19), a delay in studies is expected.

Results of Operations

Financial data is expressed in thousands of NIS. The following table summarizes our historical consolidated statements of comprehensive income for the three and six months ended June 30, 2021 and 2020:

	For the 3-month period ended on June 30		For the 6-month period ended on June 30	
	2021	**2020[1]**	**2021**	**2020[1]**
Revenues	45,230	11,185	78,281	15,444
Gross profit before effect of fair value	19,268	4,814	34,694	6,330
Gross profit after effect of fair value	19,948	5,495	34,709	7,104
Research and development expenses	(356)	(412)	(717)	(786)
General and administrative expenses	(6,311)	(4,211)	(11,591)	(9,234)
Marketing and selling expenses	(4,854)	(1,765)	(8,423)	(2,884)
Impairment losses and (gains) on financial assets through profit or loss	162	46	326	(39,304)
Other expenses (income), net	290	—	290	(3,127)
Consolidated operating profit (loss)	8,879	(847)	14,594	(48,231)
Comprehensive income (loss)	5,938	(978)	9,793	(48,187)
Interest / Financing cost	403	131	493	(44)
Tax expenses (income)	2,538	—	4,309	—
Depreciation and amortization	1,254	413	2,501	803
EBITDA	10,133	(434)	17,095	(47,428)
Share-based payment expenses	1,814	2,743	3,818	6,009
Other expenses (income), net	(290)	—	(290)	3,127
Impairment losses and (gains) on financial assets through profit and loss	(162)	(46)	(326)	39,304
Fair value adjustment to inventory	(680)	(681)	(15)	(774)
Adjusted EBITDA	10,815	1,582	20,282	238
Basic earnings (loss) per share	0.29	(0.02)	0.14	(2.00)
Diluted earnings per share	0.24	(0.02)	0.12	(2.00)

(1) Cannolam operations consolidated for the first time on July 1st, 2020.

Revenues – Revenue for the second quarter of 2021 was approximately four times greater compared to the corresponding period last year, and increased in 37% compared to the fourth quarter of 2020. The growth was primarily derived from high demand for the company's quality product lines, market growth, increase in the company's market share, implementation of commercial agreements with pharmacies, international collaborations and the consolidation and continues grow of Cannolam's pharmacy chain and the purchase and partially consolidation of the trading house.

During the period, Canndoc continued its successful launching of premium products under the brand CANNDOC Cali™. The series of GMP products were cultivated and manufactured in Canndoc's advanced southern facility.

Gross profit after effect of fair value – Gross profit for the second quarter of 2021 increased of 263% to NIS 19.9 million compared to NIS 5.4 million in the corresponding quarter, mainly in light of the ramp up in Canndoc's advanced southern facility.

Adjusted EBITDA – Significant improvement in comparison to the negative Adjusted EBITDA in the corresponding period and in comparison to the previous quarter. The improvement is mainly due to implementing our vertically integrated strategy**.**

Total Assets and Liabilities

	As of June 30th		As of March 31st	
	2021	**2020**	**2021**	**2020**
Total current assets	286,664	45,967	82,907	33,708
Total non-current assets	301,822	211,889	259,970	206,928
Current Liabilities	90,665	39,894	34,936	25,087
Non-current Liabilities	53,302	2,578	9,020	2,763

Total Current Assets

The increase was primarily due to capital raising of the SPAC Transaction and continuous increase in Intercure's activity (trade receivables, inventories, and biologic assets).

Total Non-Current assets

The increase was primarily due to the consolidation of our subsidiaries - CannOlam's pharmacy expansion and the purchase and first time consolidation of the trading house operation. The consolidation of those subsidiaries operations led to increase in the non-current assets and goodwill.

Current Liabilities

The change in compare to Q2 2020 was mainly due to: (a) the consolidation of the activities purchased during the period (additional pharmacies and trading house activities); (b) increase in the Company activity which led to increase in the trade payable, and other payables.

Non-Current Liabilities

The increase was primarily due to bank loans taken by the Company and its subsidiaries during the period in order to fund its capital investment to expend its operations.

Cash Flow

Intercure's approach to liquidity is to always have sufficient liquidity to meet its liabilities as they come due. This is achieved by continuously monitoring cash flows and reviewing actual operating expenditures and revenue against budget.

Cash Flow	**For six months ended on June 30, 2021(1)**	**For Six months ended on June 30, 2020(1)**	**For three months ended on June, 2021(1)**	**For three months ended on June, 2020(1)**
Net cash provided by (used in) operating activities	9,708	(7,904)	2,005	(4,007)

Cash Flow	For six months ended on June 30, 2021(1)	For Six months ended on June 30, 2020(1)	For three months ended on June, 2021(1)	For three months ended on June, 2020(1)
Net cash provided by financing activities	171,191	10,990	170,288	11,156
Net cash provided by (used in) investing activities	(18,911)	(22,005)	(13,093)	(15,873)
Change in cash during the period	161,988	(18,919)	159,200	(8,724)
Exchange differences in respect of cash and cash equivalent balances	393	184	354	3
Cash and cash equivalents, beginning of year	37,888	27,338	40,715	17,324
Cash and cash equivalents, end of year	**200,269**	**8,603**	**200,269**	**8,603**

(1) Cannolam operations consolidated for the first time on July 1st, 2020.

Net cash flow used in operating activities – The increase was primarily due to operating profitability and in continuous improvement and positive cash flow from operating activities.

Net cash provided by financing activities – the significant increase during the period was mainly due to the SPAC Transaction.

Net cash used in investing activities - The main investment for six months ended on June 30, 2021 were mainly were mainly continues investment in the Southern Kibbutz and the additional purchases of pharmacies and trading house.

Use of Proceeds

The Company's intended use of proceeds from the SPAC Transaction has not changed from the disclosure set forth in the "Capitalization and Use of Proceeds" section of the Prospectus to the date of this MD&A.

Summary of Quarterly Results

The following table below sets out certain consolidated financial data for the Company:

	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019
Revenue	45,230	33,051	27,094	22,497	11,185	4,259	1,828	2,598
Gross Profit (Loss)	19,268	15,427	13,302	10,755	4,814	1,516	442	(1,063)
Adjusted EBITDA	10,815	9,468	8,165	6,627	1,582	(1,344)	(3,914)	(6,083)

Liquidity and Capital Resources

Intercure has been generating profits and has experienced positive cash flows, which are expected to be the primary sources to fund its future operations. In addition, Intercure has cash reserves as a result of the completion of the noted private placements. Lastly, as a public company, Intercure may access the public and/or private markets to finance any additional needs it may have, including through the issuance of debt or equity securities.

Intercure does not expect to require any additional funding in the future as it projects a positive cash flow from operations.

Summary of Contractual Obligations

As of the date of this report, the company don't have any material contractual obligations.

Critical Accounting Estimates

The Company's critical accounting estimates are summarized in note 3 of the Annual Financial Statements and have not changed during the following interim period.

Outstanding Share Data

As of the date of this report (August 16, 2021) Intercure's current outstanding shares capital can be summarized as follows:

Type	Shares	Options / Warrants
Intercure Shares	42,735,052*	
Options (A)		2,150,919
Options (B)		1,729,612
ESOP (A)		1,199,791
ESOP (B)		967,208
Total	**42,735,052**	**6,047,530**

(*) includes 5,243,616 shares allocated as part of the SPAC Transaction which are subject to (a) the Company shares listed on NASDAQ and (b) the Company's shares listed on NASDAQ reaching the Target Price; and are subject to forfeiture as defined and described in the Prospectus.

(1) Options (A) with an expiration period of three year for the date of issuance (September 2018) with an exercise price of NIS 1.69 per Intercure Share.

(2) Options (B) were issued to certain investors in July, 2020 and expire in August 2023 with an exercise price of NIS 19.57 per Intercure Share.

(3) ESOP (A) were issued to our directors between September 2018 to January 2020 and expire in ten years from the date of issuance with an exercise price of NIS 15.57 per Intercure Share.

(5) ESOP (B) were issued to certain employees in February 2021 and expire in four years from the date of issuance with an exercise price of NIS 18.37 per Intercure Share.

Off-Balance Sheet Transactions

The Company has no off-balance sheet arrangements.

Financial Instruments and Other Instruments

We do not have any financial instruments other than normal course accounts receivable and payables associated with our business activities.

Risk and Uncertainties

We are subject to foreign exchange and liquidity risks.

Foreign Exchange Risk. Our reporting and functional currency is the NIS, but some portion of our operational expenses are in U.S. dollars, Canadian dollars and Euros. As a result, we are exposed to some currency fluctuation risks. We may, in the future, decide to enter into currency hedging transactions to decrease the risk of financial exposure from fluctuations in the exchange rate of the currencies mentioned above in relation to the NIS. These measures, however, may not adequately protect us and our operations could be adversely affected if we are unable to effectively hedge against currency fluctuations in the future.

Liquidity risk. We monitor forecasts of our liquidity reserve (comprising cash and cash equivalents available-for-sale financial assets and short-term deposits). We generally carry this out based on our expected cash flows in accordance with practice and limits set by our management. We are in the process of expanding our operations and the expenses associated therewith and we are therefore exposed to liquidity risk.

Subsequent Events

1. On July 6th, 2021, we entered a transaction to purchase (100%) of a pharmacy and trading house located in northern Israel. The purchase was immaterial to the Company.
2. On August 5th, 2021, we entered a transaction to purchase (100%) of a pharmacy located in northern Israel. The purchase was immaterial to the Company.
3. On August 8, 2021, we entered a binding LOI to purchase (51%) of a pharmacy located in northern Israel. The purchase was immaterial to the Company.

Additional Information

Additional information relating to the Company is available on SEDAR at www.sedar.com.

Exhibit 99.4

INTERCURE

InterCure Commences Trading on NASDAQ Under the Symbol "INCR"

The leading cannabis company outside North America
debuts today on Nasdaq

NEW YORK, TORONTO, and HERZLIYA, Israel – September 1, 2021 – InterCure Ltd. (NASDAQ: INCR) (TSX: INCR.U) (TASE: INCR) (dba Canndoc) (the "Company") is pleased to announce the Company's common shares will commence trading today on The NASDAQ Global Market (the "Nasdaq") under the ticker symbol "INCR".

The Company's common shares will continue to trade on the Toronto Stock Exchange (the "TSX") under the symbol "INCR.U" and the Tel Aviv Stock Exchange (the "TASE") under the symbol "INCR.TA".

"This is a significant milestone in InterCure's journey which began 13 years ago," said **Ehud Barak**, chairman of InterCure, adding "the Company is well positioned to continue realizing its vision of leading the international cannabis market and to benefit from expected regulatory changes as more countries recognize the medicinal benefits of the cannabis plant. Listing for trading on one of the world's leading stock exchanges will increase our access to both retail and institutional investors. This will ensure our ability to further accelerate our business operations, improve the quality of life for patients around the world and create value for the Company and its shareholders."

Alexander Rabinovitch, CEO of InterCure stated: "InterCure is the profitable, fastest growing cannabis company globally outside of North America, and we are proud to be listing on the Nasdaq. This milestone will ensure InterCure is able to further develop relationships with the investment community and broaden our shareholder base."

InterCure Investment Highlights

- **A leading, vertically integrated medical cannabis operator**
  - Focus on pharmaceutical-grade, GMP-certified branded products
  - Branded product offerings with 100% retail penetration

- **Rapidly growing legal medical cannabis international market**
  - Most countries outside North America adopted a medical approach to cannabis
  - Israel is the leading GMP cannabis market in the world
  - Substantial runway for growth in recreational cannabis

- **Multiple growth engines**
  - Scaling up Israel's leading medical cannabis dispensing pharmacy chain
  - Global expansion duplicating InterCure's winning model to additional countries
  - Positioned to capitalize on upcoming CBD & adult-use cannabis market in Israel

- **Profitable, fastest growing cannabis company outside North America**
    - Record Q2 ‘21 revenue growth of 4 times YoY and 37% sequentially
    - EBITDA[1] margin of 26% and positive operational cash flow for fourth consecutive quarter

- **Key Partnerships with leading cannabis brands and suppliers**
    - Tilray
    - Organigram
    - Cookies
    - Fotmer Life Science
    - Charlotte’s Web

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

Non-IFRS Measures

This press release makes reference to certain non-IFRS financial measures. Adjusted EBITDA, as defined by InterCure, means earnings before interest, income taxes, depreciation, and amortization, adjusted for changes in the fair value of inventory, share-based payment expense, impairment losses (and gains) on financial assets, non-controlling interest and other expenses (or income). This measure is not a recognized measure under IFRS, does not have a standardized meaning prescribed by IFRS and is therefore unlikely to be comparable to similar measures presented by other companies. InterCure’s method of calculating this measure may differ from methods used by other entities and accordingly, this measure may not be comparable to similarly titled measured used by other entities or in other jurisdictions. InterCure uses this measure because it believes it provides useful information to both management and investors with respect to the operating and financial performance of the company. A reconciliation of Adjusted EBITDA to an IFRS measure (revenue), which is incorporated by reference to this press release, is available in Intercure’s MD&A for the period under the heading “Results of Operation”, available under the Company’s profile on SEDAR at www.sedar.com.

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[1] This is a non-IFRS financial measure and does not have a standardized meaning prescribed by IFRS, please see “Non-IFRS Measures” below

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 Company's future revenue growth and results, the positive consequences of the listing of the Company's shares on the Nasdaq, 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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