

BioHarvest Sciences Reports Q3 2023 Revenue Demonstrating Continued Growth Momentum

- Q3 VINIA® revenues of USD 3.24M represent growth of 113% compared to Q3 2022 and 18% increase compared to Q2 2023
- Year over Year Q3 Gross Profit improved from 18% to 45%
- Q4 2023 revenue range guidance of USD 4.2M - 4.5M
- VINIA® total active subscriber count grew by 213% Year over Year

Vancouver, British Columbia and Rehovot, Israel--(Newsfile Corp. - November 29, 2023) - **BioHarvest Sciences Inc, (CSE: BHSC) (OTCQB: CNVCF) (FSE: 8MV)** ("BioHarvest" or "the Company") announces that it has released Q3 2023 results. Q3 2023 revenue of its flagship VINIA® product reached USD 3.24M which is well within the projected range and represents 113% growth compared to the same quarter of last year and 18% growth compared to Q2 2023. BioHarvest continues to focus on scaling its D2C and D2D Nutraceutical vertical by increasing VINIA® production capacity and by reducing production costs. Gross profit margin in Q3 2023 increased to 45% (compared to 18% in Q3 2022 and 40% in Q2 2023) and is expected to continue to climb as production continues to scale.

The steady increase in the number of both new customers and total subscribers reflects the power of a recurring revenue model, and management expects this growing customer base will continue to accelerate revenue growth towards the scale required for profitability. As of the end of Q3, total active VINIA® subscribers had increased by 213% over the active subscribers in Q3 2022. 90% of the www.vinia.com revenue is generated from subscriptions (compared to 85% in Q2 2023), with 95% of those on subscriptions of 3 months or more, and 23% being 6 months or more. Growth in recurring income is reflected in quarterly subscriber growth rates as well, with the Q3 active total subscribers seeing an increase of 23% over Q2 2023. VINIA® sales metrics continue to improve as marketing efficiency increases, as evidenced by cost of customer acquisition in Q3 2023 declining by 22% compared to Q3 2022. VINIA® continues to expand product sales on Amazon.com, with Q3 Amazon revenue increasing 84% over Q2 2023. VINIA® continues to achieve a best-in-class verified customer rating of 4.8 out of 5 with over 3,200 verified reviews, demonstrating its significant positive impact on consumers' lives.

"These Q3 revenue results mark another strong quarter of BioHarvest revenue growth. Along with this quality growth, we have delivered an improved gross profit margin and are laser-focused on further reducing production costs as we bring more scale into the business," stated CEO Ilan Sobel, adding, "I am optimistic about BHSC's prospects. Our core VINIA Nutraceutical business is delivering consistent double-digit growth, and demand continues to be strong. Before year-end we will be launching our VINIA Functional Coffee, and additional VINIA based products will be added throughout 2024, which will further add to our existing revenue momentum. We will continue to focus on driving efficiencies in both our manufacturing and in our marketing as we push towards further improving the financial performance of the Company."

Net loss per share for the quarter was 0.4 cents USD per share, for a total of USD 1.72M (compared to 2.85M in Q2 2023). With the Q4 abovementioned forecast, the total revenue for 2023 is expected to fall 27% short of the USD 17M revenue guidance provided by the Company in early 2023. Over the course of 2023, due to worsening global macroeconomic conditions and the tightening of access to capital, the Company prioritized cash preservation and gross profit improvement versus revenue maximization. With the continued improvement of gross margins expected in the next two quarters along with an increase in production capacity, management will be focusing on maximizing revenue delivery in 2024.

The Company will hold a LIVE Shareholder presentation on December 13 at 2:30pm Eastern Time. The

interactive meeting will include a discussion of the 3rd quarter results and an update on new product initiatives. All interested media and investors are invited to register here:

https://us02web.zoom.us/webinar/register/WN_bLZXtZR3T9ijR_uqmdJA_w

About BioHarvest Sciences

BioHarvest Sciences Inc. (CSE: BHSC) is a fast-growing Biotech firm listed on the Canadian Securities Exchange. BioHarvest has developed a patented bio-cell growth platform technology capable of growing the active and beneficial ingredients in fruit and plants, at an industrial scale, without the need to grow the plant itself. BioHarvest is currently focused on leveraging its botanical synthesis technology to develop the next generation of science-based and clinically proven therapeutic solutions, within two major business verticals - nutraceutical health and wellness products such as dietary supplements, and development of plant cell-based Active Pharmaceutical Ingredients (API's) that focus on specific medical indications.

BioHarvest Sciences Inc.

Ilan Sobel, Chief Executive Officer

For further information, please contact:

Dave Ryan, VP Investor Relations & Director Phone: 1 (604) 622 -1186

Email: info@bioharvest.com

Forward-Looking Statements

Information set forth in this news release might include forward-looking statements that are based on management's current estimates, beliefs, intentions, and expectations, and are subject to a number of risks and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. Launching new products is subject to risks and uncertainties including the risk that the market will not accept the product or that government approvals required for sale or import of the products will not be obtained. There is no assurance that the Company will reach projected guidance by Q4 2023, as that is dependent on a combination of factors such as supply chain efficiencies, input cost stability, marketing efficiencies and uncertain consumer preferences. Revenue projections are estimates and there is no assurance will occur when estimated as the timing is dependent on consumer acceptance and cost stability and other factors beyond company control.

All forward-looking statements are inherently uncertain and actual results may be affected by a number of material factors beyond our control. Readers should not place undue reliance on forward-looking statements. BHSC does not intend to update forward-looking statement disclosures other than through our regular management discussion and analysis disclosures.

Neither the Canadian Securities Exchange nor its Regulation Services Provider accept responsibility for the adequacy or accuracy of this release.



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