

BioHarvest Sciences Issues Clarification to February 15, 2024 News Release Announcing Engagement with IR Firm

Vancouver, British Columbia and Rehovot, Israel--(Newsfile Corp. - February 20, 2024) - [BioHarvest Sciences Inc.](#), (CSE: BHSC) (OTCQB: CNVCF) (FSE: 8MV) ("BioHarvest" or "the Company"), is issuing this news release to expand on and clarify its news release issued February 15, 2024 the "Original Release" regarding engagement of MZ Group, at the request of CIRO.

Additional Information to Original Release

Under the terms of the Agreement with MZ Group dated February 13, 2024, the Company will pay monthly cash payments to MZ Group. In addition, consultant options will be granted to persons at MZ Group performing the services within the limits permitted by the CSE listing rules.

The agreement is for an initial term of three months, commencing February 13, 2024, and may be extended beyond that period. MZ may also be entitled to receive certain cash bonuses for performance based on criteria that does not relate to market volume or price.

The services to be performed under the agreement include:

- **Investor Relation services** such as creating Powerpoint investor presentations, managing Investor Conference invitations, managing Roadshow events.
- **Investment Awareness Outreach** - The Consultant will make introductions to global investors, including Equity Brokers, Analysts, Portfolio Managers/Institutions, High Net Worth Investors & Family Offices, utilizing a proprietary, robust database.
- **Financial Media Relations** - Consultant will target media opportunities that highlight BHSC.CN's strategy, growth objectives, board of directors, developments and milestones related to its business.

MZ Group reports that it has over 250 employees, with the following persons at MZ Group to be the primary contacts coordinating the provision of these services:

Luke Zimmerman
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Phone: 949-259-4987

Greg Falesnik
Email: greg.falesnik@mzgroup.us
Phone: 949-385-6449

Edward John Haberfield
Email: thaberfield@mzgroup.us
Phone: 760-755-2716

The company also clarifies the following statements from the original release:

The Company estimate of 125% year-over-year revenue growth and \$12.4 Million in revenue is a conservative estimate based on the actual numbers for the period. It is characterized as an estimate because the audit of the period is still underway although BioHarvest does not expect the 2023 audited number to vary much from this estimate. The \$12.4 Million revenue estimate should be understood in the context that the projected full year net loss will be between \$6.0-8.5 million based on results from the previous three quarters. 2023 Gross Profit Margins are estimated to be between 40-45%. The company

has estimated based on the current rate of revenue growth that it will be profitable in the third quarter of 2024; however, this is a company estimate only and is based on continuation of the current growth, stability of cost estimates and acceptance of the company's coffee and other functional food products in the pipeline by consumers. Readers should not place undue reliance on estimates.

The Health and Wellness Industry has been estimated by Mckinsey.com at \$1.5 trillion with annual growth of 5 to 10%. <https://www.mckinsey.com/industries/consumer-packaged-goods/our-insights/feeling-good-the-future-of-the-1-5-trillion-wellness-market>.

Although the BioHarvest technology has application to the many areas of the market, including nutraceuticals, pharmaceutical and traditional medicine, functional foods and cosmetics, the Company is currently only offering products in the nutraceutical and functional food areas. Those markets are estimated by Grandview Research to be \$317.2 Billion (2023) and \$280.7 billion (2021) respectively. <https://www.grandviewresearch.com/industry-analysis/nutraceuticals-market>
<https://www.grandviewresearch.com/industry-analysis/functional-food-market>

This amended release has been reviewed and approved by Ilan Sobel, CEO, who accepts responsibility for its contents.

About BioHarvest Sciences Inc.

BioHarvest Sciences Inc. (CSE: BHSC) (OTCQB: CNVCF) (FSE: 8MV) is a leader in Botanical Synthesis, leveraging its patented technology platform to grow the active ingredients in plants, without the need to grow the underlying plant. 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, which includes dietary supplements, and the development of plant cell-based Active Pharmaceutical Ingredients (APIs) that focus on specific medical indications. To learn more, please visit www.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. 2023 expected revenues of \$12.4 Million and 125% YoY growth are estimates pending audit, and forecasts of expected 2024 profitability, timing of projected profitability, and sales growth are subject to uncertainties that include market acceptability of new products, continued market acceptance of existing VINIA® product, consumer preferences, competition, etc. The full year net loss before tax and gross profit margins cited in this release are estimates and final 2023 totals for net profit/loss and gross profit margins will be released pending audit.

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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