

BioHarvest Sciences Signs First Contracts with Two Industrial Customers to Develop Complex Molecules via Its Newly Launched Botanical Synthesis CDMO Business Unit

Vancouver, British Columbia and Rehovot, Israel--(Newsfile Corp. - February 26, 2024) - [BioHarvest Sciences Inc.](#), (CSE: BHSC) (OTCQB: CNVCF) (FSE: 8MV) ("BioHarvest" or "the Company"), a biotechnology company pioneering the Botanical Synthesis process technology, has announced the official launch of its new Contract Development and Manufacturing Organization (CDMO) business unit. The Company is also announcing that this new unit has recently signed two contracts to develop complex molecules - for a NASDAQ listed pharmaceutical company, and for a leading player in the nutrition and ingredients industry.

The new business unit allows pharmaceutical, cosmeceutical, nutraceutical and nutrition industry leaders the opportunity to partner with BioHarvest to utilize its Botanical Synthesis Process technology through a typical CDMO contracting model. This proprietary process technology enables the development and manufacturing of patentable plant based small molecules, complex molecules, and unique compositions which include both small and complex molecules. The Company's Botanical Synthesis Process is able to develop complex molecules otherwise known as Biologics which have a number of unique advantages for the industry, including lower costs of development and manufacturing, a much faster speed of development, and non-immunogenic properties that enhance safety. As a result of these advantages, the Company has decided to call these unique plant-derived complex molecules BIOLOGICS⁺.

BIOLOGICS⁺ will help address unmet needs in the health industry across pharmaceutical, nutraceutical, cosmeceutical and nutrition verticals.

The CDMO business offers the Botanical Synthesis process technology in 3 major steps to its customers. Step 1 (3 to 6 months) is capable of producing a small biomass of the plant-based BIOLOGICS⁺ from the source plant. This step requires the customer to pay BioHarvest Non-Recurring Engineering Expenses (NRE) between US\$150k - US\$500k. Step 2, (6 to 9 months) provides for delivery of an increased amount of biomass to enable clinical trials and other tests, and requires NRE of US\$350K-US\$700K. Step 3, (9 - 12 months) is the last development step that brings the molecules to a large scale production capability and requires NRE between US\$1M-US\$1.5M. In summary, full successful development using the Botanical Synthesis Process will take 15 to 24 months and between US\$1.5M to US\$2.5M in NRE. Should the customer decide to produce the developed molecule/s at industrial scale following successful completion of Step 3, BioHarvest would enter a royalty-based payment model for industrial manufacturing of the molecule/s.

**BOTANICAL SYNTHESIS
CDMO**

NOW OPEN FOR YOUR INNOVATION

Development: **15 - 24 MONTHS**

DELIVERY OF A PATENTABLE MASS PRODUCIBLE
BOTANICAL SOURCED BIOLOGICAL MOLECULE

BioHarvest Sciences Inc. Botanical Synthesis CDMO

To view an enhanced version of this graphic, please visit:

https://images.newsfilecorp.com/files/6168/199196_bioharvest_1.png

The CDMO's first contract is with a NASDAQ-traded pharmaceutical company, which for strict confidentiality reasons cannot be disclosed. This pharmaceutical entity has contracted BioHarvest to develop particular complex molecules that would form the base of their patented drug development. The contract is for Step 1 of the Botanical Synthesis process and is priced at the lower level of the above-mentioned range. The second agreement is with a major player in the Food nutrition and ingredients industry and for strict confidentiality reasons, cannot be disclosed. This industry leader has contracted BioHarvest to develop unique plant-based molecules for the use in the multi-billion sweeteners industry. The contract is for Step 1 of the Botanical Synthesis process and is priced at the lower level of the above-mentioned range. Given the commercial potential of this specific sweetener molecule, BioHarvest has decided to take a 50% stake in the molecule ownership rights via contributing 50% to the Step 1 development costs. Both contracts have the potential to progress to Steps 2, 3 and the production phase.

Ilan Sobel, CEO, said "Our mission to turn thousands of plants into scientifically reliable sources of therapeutic molecules will be accelerated by our CDMO business model. The launch of this new business unit will, for the first time, offer our proprietary Botanical Synthesis process technology to pharmaceutical companies as well as to other key industry verticals who are actively searching for new complex molecules to drive their innovation and growth agendas. These two contracts with established industry players are a major validation of the critical market need for our Botanical Synthesis Process and Biologics⁺ molecules." Ilan added, "BioHarvest is actively engaging with other potential CDMO customers. Early feedback has validated our strategy thesis that industry leaders are aggressively searching for the next high impact molecules to drive value in their respective businesses, and it has confirmed the strength of the Bioharvest Botanical Synthesis CDMO proposition for that purpose."

Dr. Zaki Rakib, the company's co-founder and chairman, has applied his scientific and business background to play a critical role in the mathematical development of key proprietary elements of the Botanical Synthesis process, and will be leading the CDMO business unit. Dr. Rakib commented "The Botanical Synthesis CDMO is the realization of the Biotech vision we started with fifteen years ago. We could not have reached this stage of offering our Botanical Synthesis Process technology to multiple industries without the experience and ingenuity of Dr Yochi Hagai (CTO and Co-Founder) , Dr Malkit Azahi (VP of R&D) and our leading scientists. In addition, the success of our own red grape cell complex molecule product, VINIA® , has been instrumental in giving the CDMO the required credibility to assure customers of the consistency and economic efficiency of producing patentable molecules using the

Botanical Synthesis process. I look forward to updating you on key executive hires and new customer contracts in the near future."

About BioHarvest Sciences Inc.

BioHarvest Sciences Inc. (CSE: BHSC) (OTCQB: CNVCF) (FSE: 8MV) is a leader in Botanical Synthesis, leveraging its patented technology process to grow the active ingredients in plants, without the need to grow the underlying plant. BioHarvest is leveraging its botanical synthesis technology to develop the next generation of science-based and clinically proven therapeutic solutions within two major business verticals; as a contract development and production organization (CDMO) on behalf of customers seeking complex molecules, and as a creator of proprietary nutraceutical health and wellness products, which includes dietary supplements. To learn more, please visit www.bioharvest.com.

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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.

There is no assurance of additional future contracts, and there is no assurance that signed agreements will proceed past Step 1. Readers are cautioned that increased revenue is not necessarily an increase in net income or profitability as costs will likely increase as well.

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.

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