

BIOHARVEST SCIENCES INC. REPORTS STRONG Q3 2021 RESULTS ON ALL OF THE COMPANY'S ACTIVITIES

- **44% quarter over quarter sales growth with record VINIA® sales orders of USD 688K in Q3**
- **Successful VINIA® pilot sales program in the U.S. market with USD 236K in sales orders in Q3**
- **Major progress towards the commissioning of the 20Tons/year VINIA® new production facility before year end**
- **Significant accomplishments in cannabis development program; commercialisation on track for H1 2022**
- **Closing of private placement and funds raised through exercise of warrants**

VANCOUVER, CANADA, and REHOVOT, ISRAEL, October 5, 2021 – [BioHarvest Sciences Inc.](#) (“BioHarvest” or the “Company”) (CSE: BHSC) today announced another strong quarter, fueled by strong growth of VINIA® sales in Israel and the U.S. Q3 VINIA® pilot sales revenues were USD 688K representing 44% growth over Q2 2021 and 1,198% growth over Q3 2020.

In Israel, the Company reports record sales orders of USD 452K during Q3 2021 for its flagship VINIA® product. 10% growth over Q2 2021 and 768% growth over Q3 2020. The continued adoption of VINIA® in Israel and the high percentage (55%) of revenue in Q3 from returning customers demonstrate the health benefits, efficacy, and overall loyalty to the product.

Sales orders in the ongoing U.S. pilot program, which launched in May 2021, were USD 236K, representing 251% growth over Q2 2021, with sales orders in September 2021 exceeding USD 100K. With 90% of sales being subscription packages generating monthly recurring revenue, \$80 average transaction spend and with 48% of customers being “repeat” customers, we are confident that we can build a scalable, sustainable, and profitable business.

The metrics are a good predictor of future demand in the U.S. for VINIA®. Supplying the anticipated demand growth requires our new manufacturing facility to be up and running before we add additional marketing layers and increase spending levels as part of the scaling of our U.S. business.

To support the projected strong demand, primarily in the U.S., the Company made major progress towards the commissioning of a new 20 Tons/year VINIA® manufacturing facility in Israel.

The Company also made substantial progress on its Cannabis vertical in Q3. This includes the successful development of the Amalgamated Trichome Coral Structure ([News Release dated August 19, 2021](#)) and the scaling of the production to mid-size bioreactors ([News Release dated September 1, 2021](#)) This continues to pave the road for the first commercial availability of our Cannabis product by the end of H1 2022.

With regards to the Company's financing activities, BioHarvest announced in its [October 4, 2021, press release](#) that it raised net proceeds USD 3,484,849 via private placement financing and received USD 4,407,455 through the exercise of warrants. This has provided the financing to support the Company's immediate goals.



Ilan Sobel, CEO, said “I am very proud of our Q3 results fueled by strong growth in VINIA® sales in Israel and the U.S. This increased demand, especially in our VINIA® “pilot phase” gives us confidence in building a scalable business in the U.S. This quarter's strong results and accomplishments, further validates our vision, strategy and leadership position in plant-based bio-technology.”

Q3 Shareholder Update

We invite all interested investors and media to our next Shareholder Update, to be held at 11am PST, October 14, 2021. The online meeting will be hosted by the CEO, Ilan Sobel, and will feature a live Question and Answer session. If you are not available to attend live, please register and we can send you the session recording after the event. Register at: <https://app.livestorm.co/st-financial/october-2021-bhsc-shareholder-update?type=detailed>

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About BioHarvest Sciences Inc.

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 industrial scale, without the need to grow the plant itself. This technology is economical, ensures consistency, and avoids the negative environmental impacts associated with traditional agriculture. BioHarvest is currently focused on nutraceuticals and the medicinal cannabis markets. Visit: www.bioharvest.com.

BioHarvest Sciences Inc.

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Forward-Looking Statements

Information set forth in this news release includes 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 that the Israeli market results will translate directly into the U.S. markets which may depend on different consumer preferences and more substantial marketing expenditures and resources. There is no assurance that strong sales metrics experienced to date will result in future demand or that proposed additional marketing expenditures will result in increased sales. Markets for nutraceuticals are unpredictable and subject to changes in consumer tastes and trends as well as economic factors beyond our control. Delays and cost overruns may result in delays achieving our objectives obtaining market acceptance, and regulatory approvals for geographic expansion is subject to risk and cannot be guaranteed. There is no assurance of commercial availability of our Cannabis product by H1 2022. There is no assurance of the imminent commissioning of the superfruit facility or the conversion of the two tons VINIA® facility to Cannabis production in the first half of 2022. These things are subject to construction and approval delays and uncertainties that may be beyond the control of BioHarvest. Projected sales of Cannabis will require the Company to obtain production and/or export licensing which cannot be assured.

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.

