BioHarvest Reports Third Quarter 2026 Results and Provides Business Update

- *Prioritizes cash preservation and controlled VINIA growth while concentrating CDMO resources on advanced programs with near-term manufacturing potential*

Vancouver, British Columbia and Rehovot, Israel - November 12, 2026 - BioHarvest Sciences Inc (Nasdaq: BHST) (TASE: BHST) (FSE: 8MV0), a leader in Botanical Synthesis technology and sustainable plant-based molecule development, today reported financial results for the three and nine months ended September 30, 2026, and outlined its strategic priorities for 2027. The Company is aligning capital allocation, operating expenses and development resources with a narrower set of commercial objectives designed to preserve liquidity and advance its most promising Botanical Synthesis programs toward manufacturing.

All figures stated in this news release are in U.S. dollars unless stated otherwise.

Third Quarter and 2026 Financial Results Highlights

- Q3 2026 revenue was $7.9 million, compared with $8.8 million in Q2 2026 and $9.1 million in Q3 2025. The decline reflected the Company's deliberate moderation of lower-return customer acquisition in the Products Business Unit, as part of its strategy to build a healthier, more profitable revenue base, as well as the timing of CDMO development revenue. Gross margin was 54%, compared with 58% in Q2 2026 and approximately 61% in Q3 2025, reflecting a revenue mix weighted toward Products, with a lower contribution from higher-margin CDMO development revenue.
- Operating loss was $3 million, compared with $2.5 million in Q2 2026 and $0.9 million in Q3 2025. The sequential increase reflected lower gross profit, partly offset by lower operating expenses quarter over quarter, while the year-over-year increase reflected higher gross profit in Q3 2025, as well as one-time, non-cash revaluation income recognized in that quarter, both of which resulted in a lower operating loss in Q3 2025 compared with Q3 2026.
- Cash, cash equivalents and bank deposits totaled $12.5 million at September 30, 2026, versus $16.2 million at June 30, 2026 and $23 million at December 31, 2025.

“Our third-quarter results reflect a period of deliberate transition,” Commented Dr. Zaki Rakib, CEO and Executive Chairman, adding, ”Consistent with a cash-disciplined strategy, we are making a fundamental choice about how BioHarvest creates value: protecting our cash, growing VINIA with better economics, and concentrating our CDMO capabilities on fewer programs that can reach manufacturing sooner.

“Toward the end of the second quarter, we began implementing changes to VINIA's marketing and sales strategy designed to drive profitability. These changes have resulted in a moderate decline in revenue, which we anticipated as part of our sales and marketing efficiency initiatives,

and we expect the benefits of these improvements along with revenue growth to become evident beginning in the first quarter of 2027. On the CDMO development side, we are focusing our resources on the fragrance compound, multiple sweetener compounds with Tate & Lyle, and the Saffron development projects. Our new business development activity is focused on licensing our unique molecules' assets.

"We believe focus—not the number of projects in development—will determine our speed of commercialization and ultimately our returns on invested capital."

Three execution priorities

- **Cash preservation and conditional manufacturing investment**.
    - The Company intends to add manufacturing capacity gradually, in phases aligned with demonstrated demand, in order to preserve cash.
    - Reduction of fixed operation costs, including consolidation of development sites in 2027.

- **Controlled VINIA growth**. Management intends to prioritize efficient customer acquisition, retention, margin discipline and cash contribution rather than pursuing top-line growth irrespective of economics.

- **CDMO focus on select programs and faster progression.** Resources will be concentrated on programs with the clearest commercial and manufacturing pathways.

  2027 priorities include; completing development of three advanced projects - the rare, high-value, plant-based fragrance ingredient, the Saffron compound, and the natural sweetener molecules; and licensing our unique molecules' assets. The aim is to move advanced assets into production and commercialization with greater speed and lower resource dispersion.

Third Quarter and Recent Operational Highlights

- In August, the Company signed the CDMO division's first manufacturing and supply agreement, an exclusive agreement covering the scaled production of a rare, high-value, plant-based fragrance ingredient. The agreement extends an existing multi-stage development program with a UAE-based customer.

  The source plant is endangered due to overharvesting and habitat loss, and the ingredient is widely regarded as one of the most valuable fragrance raw materials in the world, with premium grades commanding prices exceeding tens of thousands of U.S. dollars per kilogram.

Following the successful completion of Stage 1 development in March 2026, Stage 2 was initiated in May and is expected to be completed within six to nine months. The manufacturing and supply agreement provides for the production of an anticipated 20 tons of the fragrance composition, and BioHarvest anticipates that limited production of this ingredient could begin as early as the first quarter of 2027.

- In September, BioHarvest launched single-dose VINIA Daily Chews, designed to complement the existing VINIA portfolio, broaden consumer choice and provide an additional pathway for customer acquisition, retention, market expansion and revenue growth.

  VINIA also demonstrates the commercial versatility of the Botanical Synthesis platform. Botanical Synthesis produces plant-based compositions in a versatile powder format, and VINIA gives prospective CDMO customers a commercial example of how a BioHarvest composition can progress from plant-cell development through scaled manufacturing and into differentiated consumer formats.

Third Quarter 2026 Financial Results Summary

Revenues for the third quarter of 2026 were $7.9 million, compared to $9.1 million in the same year-ago quarter. The decrease reflects a planned shift to profitable growth in the Products Business Unit and the timing of CDMO development revenue.

Cost of revenue was $3.6 million, compared to $3.5 million for the same period last year.

Gross profit in the third quarter of 2026 was $4.2 million, or 54% of total revenue, as compared to $5.6 million, or 61% of total revenue, in the same year-ago quarter. The change reflects the mix of revenues in the quarter, which was weighted toward Products Business Unit revenue, with a lower contribution from higher-margin CDMO development revenue.

R&D expenses totaled $1.8 million for the third quarter of 2026, compared to $1.4 million for the same period last year. The increase was primarily driven by higher technology development expenditures within the CDMO Services Business Unit, due to the need to accelerate the development for the rare fragrance composition in light of the supply agreement that was signed.

Sales and marketing expenses totaled $4.0 million for the third quarter of 2026, compared to $4.1 million for the same period last year.

G&A expenses totaled $1.5 million for the third quarter of 2026, compared to $0.9 million for the same period last year. The increase primarily reflects one-time income of $0.4 million recognized in the third quarter of 2025, which offset expenses in the comparative period.

Net loss for the third quarter of 2026 totaled $3.3 million, or $0.15 per basic and diluted share, compared to a net loss of $2.5 million, or $0.14 per basic and diluted share, for the same period last year.

Adjusted EBITDA loss - a non-IFRS measure - totaled $2.0 million, compared to $0.4 million in the same year-ago quarter. Under the two-lens approach, the third quarter Adjusted EBITDA losses of the CDMO services and Products divisions are $1.4 million and $0.6 million respectively, as compared $0.2 million and $0.2 million in the same year ago quarter.

Cash and cash equivalents, together with bank deposits, as of September 30, 2026 totaled $12.5 million, compared to $11 million as of September 30, 2025.

Full-Year 2026 Guidance

In order to set the Company for success in 2027 and creating substantial shareholder value, the actions taken in the beginning of Q3 have resulted in changes to the 2026 financial results.

Full-year revenue guidance for the VINIA D2C business has been revised to $31–$32 million, while Adjusted EBITDA loss guidance remains unchanged at $1.5-$2.5 million.

Largely driven by the 20-ton plant-based fragrance supply agreement (estimated to generate revenue of $20- $30 million in 2027-2028) now requiring faster development and an enhanced allocation of resources, fewer new projects than expected will be initiated in 2026. As a result, the CDMO business has revised its expected full-year revenue range to $1–$1.5 million and now anticipates a full-year Adjusted EBITDA loss of $4–$5 million.

On a consolidated basis, the Company now expects full-year 2026 revenue of $32–$33.5 million and an Adjusted EBITDA loss in the range of $5.5–$7.5 million.

Third Quarter 2026 Earnings Call Information

Date: Thursday, November 12, 2026
Time: 8:00 a.m. Eastern Time
Webcast: **https://events.q4inc.com/attendee/792571252**

The Q3 2026 Financial Results conference call webcast will be broadcast live, and attendees are encouraged to register via the webcast link at least 10 minutes prior to the call to ensure participation.

A recording of the webcast will be available for replay on the Company's website within the Investor Relations/Events & Presentations section.

Use of Non-IFRS Financial Measures

This press release includes Adjusted EBITDA, a non-IFRS measure, including on a segment basis for the CDMO Services and Products business units. Adjusted EBITDA is not a standardized financial measure under IFRS and might not be comparable to similar financial measures disclosed by other issuers. It should not be considered as an alternative to operating loss or any other measure of financial performance under IFRS. Adjusted EBITDA represents operating profit (loss) before depreciation and amortization, adjusted for share-based payment. The Company believes this non-IFRS measure, when considered together with the corresponding IFRS measures, provides useful information to investors and management regarding financial and business trends relating to the Company's results of operations. However, this non-IFRS measure has significant limitations in that it does not reflect all the costs and other items associated with the operation of the Company's business as determined in accordance with IFRS. Investors should consider non-IFRS measures in addition to, and not as a substitute for, or superior to, measures of financial performance in accordance with IFRS. A reconciliation of Adjusted EBITDA to operating loss, its most directly comparable IFRS measure, is shown below.

IFRS OPERATING LOSS TO ADJUSTED EBITDA RECONCILIATION

Unaudited

In USD thousands

For the three-month period ended September 30,

	2026			2025		
	CDMO Services	**Products**	**Total**	**CDMO Services**	**Products**	**Total**
Operating (Loss)	(2,099)	(943)	(3,042)	(514)	(406)	(920)
Depreciation and Amortization	527	76	603	311	74	385
Share Based Payment	158	240	398	50	83	133
Adjusted EBITDA (Non-IFRS)	**(1,414)**	**(627)**	**(2,041)**	**(153)**	**(249)**	**(402)(*)**

(*) The Adjusted EBITDA figures for the three months ended September 30, 2025, as previously reported, included finance expenses of $40 thousand. These have been excluded from the restated comparative figures presented herein in order to align with the current period's methodology and to ensure comparability between periods. Management

believes this presentation more accurately reflects the Company's underlying operational performance.

About BioHarvest

BioHarvest (NASDAQ: BHST) (TASE: BHST) (FSE: 8MV0) is a leader in Botanical Synthesis, leveraging its patented technology platform to grow plant-based compounds, 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 manufacturing organization (CDMO) on behalf of customers seeking novel plant-based compounds, and as a creator of proprietary nutraceutical health and wellness products based on its botanical synthesis technology. To learn more, please visit www.bioharvest.com.

Forward-Looking Statements

This news release contains "forward-looking statements" within the meaning of the U.S. Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and "forward-looking information" within the meaning of applicable Canadian securities laws (together, "forward-looking statements"), which can often be identified by words such as "expects," "anticipates," "intends," "plans," "estimates," "will," "may" and similar expressions. These include statements regarding the Company's 2026 guidance and 2027 priorities; the expected return to VINIA revenue growth; the timing of fragrance development, production and revenue; manufacturing capacity and cost reductions; CDMO development, licensing and new projects; and the Company's need for, and ability to obtain, additional capital.

These statements are based on management's current assumptions, including that the Company can acquire and retain VINIA customers at an acceptable cost; CDMO development revenue is recognized in the fourth quarter of 2026 as currently expected; gross margin and operating expenses remain consistent with current levels; the Company can complete Stage 2 fragrance development within the expected timeframe, begin limited production as early as the first quarter of 2027, scale up production and deliver the anticipated 20 tons of fragrance composition in 2027-2028 at the agreed pricing; its fragrance customer performs its obligations under the supply agreement; it can rely on its other customers and partners; it can operate without material disruption in Israel; and it can obtain financing on acceptable terms. These assumptions may prove incorrect.

Actual results may differ materially due to risks including: the Products strategy may not improve profitability or restore growth; the Company may need to further revise its 2026 guidance; fragrance revenue depends on successful development and delivery, and near-term CDMO prospects depend largely on one customer; manufacturing scale-up; reliance on partners;

regulatory risks for nutraceutical products; currency fluctuations; and conditions in Israel and the Middle East. There is no assurance of new CDMO contracts, that development agreements will proceed or that compounds will be commercialized, and higher revenue may not result in profitability. See "Risks and Uncertainties" in the Company's MD&A for the three and nine months ended September 30, 2026 and its other filings on EDGAR (www.sec.gov) and SEDAR+ (www.sedarplus.ca).

The 2026 guidance and the estimated 2027-2028 revenue under the fragrance supply agreement are "financial outlook" under Canadian securities laws, provided to help readers understand management's current expectations, and may not be appropriate for other purposes. Forward-looking Adjusted EBITDA is not reconciled to operating loss because items such as share-based payment cannot be predicted without unreasonable efforts. Readers should not place undue reliance on forward-looking statements, which speak only as of the date of this news release. The Company undertakes no obligation to update them, except as required by applicable law.

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BioHarvest Sciences Inc. and its subsidiaries

Unaudited Interim Condensed Consolidated Statements of Financial Position

USD dollars in thousands

	Note	As of September 30, 2026	As of December 31, 2025
Assets			
Current assets			
Cash and cash equivalents		**$ 12,491**	$ 23,025
Trade accounts receivable		**2,689**	1,981
Other accounts receivable		**1,235**	935
Inventory		**6,183**	4,559
Total current assets		**22,598**	30,500
Non-current assets			
Restricted cash		**450**	433
Property, plant and equipment, net		**9,137**	8,326
Right-of-use assets, net		**8,781**	8,406
Total non-current assets		**18,368**	17,165
Total assets		**$ 40,966**	$ 47,665
Liabilities			
Current liabilities			
Trade accounts payable		**$ 2,444**	$ 2,627
Other accounts payable		**2,547**	2,173
Deferred revenue		**396**	492
Lease liabilities		**1,670**	1,405
Loans	3	**2,737**	149
Liability for Agricultural Research Organization	6	**457**	452
Accrued liabilities		**378**	386
Total current liabilities		**10,629**	7,684
Non-current liabilities			
Lease liabilities		**10,907**	10,130
Loans	3	**-**	2,420
Liability for Israel Innovation Authority	9	**804**	-
Liability for Agricultural Research Organization	6	**1,788**	1,983
Total non-current liabilities		**13,499**	14,533
Shareholders' equity			
Share capital and contributed surplus	4	**134,071**	133,001
Accumulated deficit		**(117,233)**	(107,553)
Total Shareholders' equity		**16,838**	25,448
Total liabilities and shareholders' equity		**$ 40,966**	$ 47,665

BioHarvest Sciences Inc. and its subsidiaries

Unaudited Interim Condensed Consolidated Statements of Loss and Other Comprehensive Loss

USD in thousands, except per share data

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	**2025**	**2026**	**2025**
Revenues	**$ 7,867**	$ 9,067	**$ 25,211**	$ 25,442
Cost of revenues	**(3,632)**	(3,497)	**(10,857)**	(10,191)
Gross profit	**4,235**	5,570	**14,354**	15,251
Operating expenses				
Research and development	**(1,834)**	(1,432)	**(4,892)**	(4,014)
Sales and marketing	**(3,957)**	(4,122)	**(12,463)**	(11,790)
General and administrative	**(1,486)**	(936)	**(4,382)**	(3,901)
Total operating expenses	**(7,277)**	(6,490)	**(21,737)**	(19,705)
Operating loss	**(3,042)**	(920)	**(7,383)**	(4,454)
Finance income	**61**	-	**272**	-
Finance expenses	**(329)**	(1,530)	**(2,457)**	(4,337)
Net loss before tax	**(3,310)**	(2,450)	**(9,568)**	(8,791)
Taxes on income	**(14)**	(63)	**(112)**	(140)
Net loss and comprehensive loss	**(3,324)**	$ (2,513)	**(9,680)**	$ (8,931)
Basic and diluted loss per share	(0.15)	(0.14)	(0.43)	(0.51)
Weighted average number of shares outstanding	22,667,842	17,424,564	22,667,685	17,421,194

BioHarvest Sciences Inc. and its subsidiaries

Unaudited Interim Condensed Consolidated Statements of Changes in Shareholders' Equity

USD in thousands, except per share data

	Number of shares	Share Capital and contributed surplus	Accumulated deficit	Total equity
Balance, December 31, 2024	**17,327,716**	**$ 97,748**	**$ (96,418)**	**$ 1,330**
Share-based compensation expense	-	449	-	449
Exercise of employee and consultant stock options and warrants	10,948	71	-	71
Issuance of shares upon vesting of RSUs	5,714	-	-	-
Modification of warrants (extension of expiration date)	-	549	-	549
Conversion of convertible loans into equity	1,169,758	7,236	-	7,236
Exercise of investor warrants	1,102,244	7,031	-	7,031
Comprehensive loss for the period	-	-	(8,931)	(8,931)
Balance, September 30, 2025	**19,616,380**	**$ 113,084**	**$ (105,349)**	**$ 7,735**

	Number of shares	Share Capital and contributed surplus	Accumulated deficit	Total equity
Balance, December 31, 2025	**22,666,842**	**$ 133,001**	**$ (107,553)**	**$ 25,448**
Share-based compensation expense	-	**1,070**	-	**1,070**
Issuance of shares upon vesting of RSUs	**1,000**	-	-	-
Comprehensive loss for the period	-	-	**(9,680)**	**(9,680)**
Balance, September 30, 2026	**22,667,842**	**$ 134,071**	**(117,233)**	**$ 16,838**

BioHarvest Sciences Inc. and its subsidiaries

Unaudited Interim Condensed Consolidated Statements of Cash Flows

USD in thousands

	Nine Months Ended September 30,	
	2026	**2025**
Cash flows from operating activities:		
Net loss	**$ (9,680)**	$ (8,931)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and Amortization	**1,523**	1,191
Interest over Liability for Agricultural Research Organization	**165**	212
Re-assessment of Liability for Agricultural Research Organization	**-**	(396)
Finance expense (income), net	**1,641**	2,915
Share based compensation	**1,070**	449
Adjustments for changes in working capital:		
Change in Trade accounts receivable	**(708)**	(261)
Change in Other accounts receivable	**(317)**	(367)
Change in Inventory	**(1,624)**	(779)
Changes in Trade accounts payable, Other accounts payable and Accrued liabilities	**1,368**	1,461
Changes in deferred revenue	**(96)**	(468)
Net cash used in operating activities	**(6,658)**	**(4,974)**
Cash flow from investing activities:		
Purchase of property and equipment	**(1,600)**	(1,701)
Deposit of restricted cash for bank guarantee, net of drawing	**-**	4
Net cash used in investing activities	**(1,600)**	**(1,697)**
Cash flow from financing activities		
Repayments of lease liabilities	**(1,605)**	(901)
Repayments of loans (principal and interest)	**(245)**	(2,096)
Repayment of royalties' liability to the Agricultural Research Organization	**(452)**	-
Proceeds from loans	**-**	12,402
Proceeds from exercise of investor warrants, net of finder fees	**-**	5,839
Payments of finder fees	**(50)**	**-**
Net cash (used in) provided by financing activities	**(2,352)**	**15,244**
Exchange rate differences on cash and cash equivalents	**76**	3
Increase (decrease) in cash and cash equivalents	**(10,610)**	8,573
Cash and cash equivalents at the beginning of the period	**23,025**	2,390
Cash and cash equivalents at the end of the period	**$ 12,491**	$ 10,966
Supplemental disclosure of significant non-cash transactions:		
Recognition of right-of-use assets and lease liabilities	**236**	399
Conversion of convertible loans into equity	**-**	7,603
Exercise of investor warrants by settlement of an outstanding debt	**-**	1,397
Supplemental disclosure of cash flow information:		
Taxes paid	**26**	31
Interest paid on loans	**95**	302