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Joining us a day is Elon Sobel, the CEO of BioHarvest Sciences Inc., that trades on the OTCQB Venture Market under the ticker CNVCF. Based in Tel Aviv, Israel. and in Vancouver, Canada, BioHarvest Sciences Inc. has developed a patented bio cell growth platform technology capable of growing the active and beneficial ingredients in fruit 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. Elon, thanks so much for joining us today.

Ilan Sobel

Cecilia, it's great to be here in your New York offices and just such a gorgeous view of the Hudson River on a magnificent day.

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It's beautiful to see you and beautiful view. So let's start, tell us about your professional background and how you got involved with BioHarvest.

Ilan Sobel

So for me, when I look back at, I guess the last 25 years of my professional career, I've really been very blessed to have a number of, I would say critical experiences that have prepared me very well for the role that I've now been in for more than two years as CEO of BioHarvest Sciences. And that really is a combination of 18 years of fast-moving consumer goods experience as a senior executive of the Coca-Cola company. Working really on a global level spent 12 years in Asia, three years in Africa, and another three years here in the U.S. market. So I have a strong understanding of international business and specifically with the big markets that count like the U.S., like markets like China. I've had feet on the ground and lived in these parts of the world.

And then following that, I actually went you know, I like to say from the front of the airplane to the back of the airplane and from the four seasons hotel in, in, in Atlanta to the red rooftop motel in Atlanta and went into startup world and together with two partners spent five years building a big data IOT and software company in the beverage space that ultimately, we sold to Anheuser Bush InBev and did an exit. And so I kind of had that entrepreneurial experience as well, understand the world of being bootstrapped and building a business and then exiting and selling to a major multinational player. So these experiences have prepared me very well for the, the privilege that I have today of being the, the CEO of BioHarvest Sciences, and kind of have equipped me with the experiences and the skills to be

able to, to do the, the broad the broad amount of, I, I guess experiences and exposures that one needs to have as a CEO today, understanding the end to end business from R and D all the way through to executing in the market.

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So give us a brief introduction to plant cell biology and specifically, what is bio plant solicitation?

Ilan Sobel

Oh yeah. It's bio plant solicitation obviously is our core technology. And I think it's important to understand, to see that we are at our core. We are a biotech company. We are a purpose driven company that is maniacally focused every single day on driving improved health and wellness in our end consumers. And we've been able to do this, and we're the only company in the world that can do this by bringing the power of the plant to the people in a very, very unique format. And we do this through our platform technology that we call bio plant solicitation. This is a platform technology that is heavily patented. And we have multiple patents across multiple jurisdictions. All the patents are utility composition and process patents. And what we do basically is we're able to take any essential, active medicinal ingredient from a plant. And God gave us 500,000 plants on day three of creating the world.

So we have this capability to take any essential, active ingredient from the plant, which the human body needs. And boy, do we need critical, active ingredients like polyphenols, like antioxidants, like proteins, like cannabinoids. And we are able to grow these essential, active ingredients in cells, in large scale industrial bio reactors with unique solubility, bioavailability availability, consistency, and cleanliness with an environmental sustainability record. That's second to none. And at a very low cost. And importantly, we do all of this without growing the plant. We just take the plant once. And from taking the plant, once we're able to take cells from different parts of the plant or parts of the fruit, and this is how we start our process by growing these cells. And once we've identified the cells that we believe through our own unique AI process, that we believe are the optimal cells to be able to grow these active ingredients, we then create a cell bank.

And so we never have to go back to the plant if we need new cells, we go back to the cell banks. So it's, it's really transformational technology. It's, it's cutting edge in the context of really, if you think about trends today, that I've yet we are dealing with across every single industry we're dealing with health and wellness, health and wellness today is at the, the front of every single consumer's mind specifically as a result of what's happened you know, post COVID or are we still, are we in

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post COVID now or not? I don't know. You know, we, we're all dealing with a very dynamic environment. So health and wellness is so important. Technology is such a critical component of our lives and how we leverage the power of technology in agriculture to be able to really bring the critical, active ingredients from the plant.

And that's what we do. We have this unique technology and then sustainability we've gotta do all of what we are doing today from a health and wellness perspective, in a way, that's gonna make sure that we are preserving the planet and we're leaving the planet in a better condition for our children and our grandchildren. And our unique technology has sustainability at the core of everything that we do. We utilize 99% less land. We utilize a fraction of the energy, a fraction of the, of the water. And this is all critical. As we look to scale this kind of technology and leverage the technology to bring all these critical, active ingredients on the plant and to people as part of dietary supplements, as part of potentially down the path, botanical drugs as well on medical foods, which is where we can play as a technology.

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Yeah. That was great. You explained the kind of the technology side of the business. So now let's talk about your product. So what's the product pipeline portfolio. What does that look like?

Ilan Sobel

So the platform technology today operates in two verticals, one vertical, we call polyphenol antioxidants and we're, we're currently selling our core product, which is called Vinia, which is actually the product that we use to validate the power of our technology PA platform. So Vinia is based on the French paradox. And as many people may know, the French paradox talks about the fact that French people had. They have a very fatty diet, they have lots of Platee, lots of lipids but they have really good cardiovascular health. And when the scientists went to understand what it is in their lives that's given them this cardiovascular health, they realize it was from moderate consumption of red wine, two to three glasses of red wine every day. And when they went to understand what it inside the red wine was, they identified a number of key polyphenols that was driving this phenomenal behavior in the human body.

And the key polyphenol is a polyphenol called PCE Vero plus other polyphenols, including Kagen Coine antiscence and tans. So what we did is we took the red grape, and we took cells from the skin cells, from the flesh cells, from the seed. And we started to grow these cells. And we figured out how to grow these unique

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polyphenols with very unique composition. And what we did is we actually were able to increase the PCE Vero 100 times more than what's actually found in the red grape itself. And that's why today we're the only company in the world that's able to produce PCE Vero, which is like the gold standard of, of Vero from the skin of the red grape at an industrial and commercial scale. So if you go into Amazon, you type in PARID Vero, you'll see that every other company bar BioHarvest and our Venia product are utilizing Vero, either synthetic or they're utilizing Vero from polygonum, which is Japanese knotweed, and is an inferior type of resveratrol because PI seed resveratrol has a unique molecule attached to it, which optimizes solubility.

So we're 25.5 times more soluble, and we have much better bio availability, which is so important cuz by availability talks about making sure that the actual act of ingredient is going quickly into your blood plasma and is starting to interact with your cells. And it takes Nia and our PI seed Vero inside vineyard, 20 minutes to go into your blood plasma. It lasts for 12 hours. So it's sustaining 12 hours in your body. And we get two peaks, one at one hour and one at five hours. And, and that's why vineyard today we've started to scale the product, which is one of the reasons I'm here in the us. We've just gone now onto TV advertising. And we are starting to really scale the business across the us. We have a verified rating of 4.8 out of five and people are getting amazing results and these results are congruent with the clinical studies that we've done, which have all been published in peer reviewed scientific journals, which demonstrate that after taking one capsule of Nia every single day for 90 days, we're able to significantly increase what we call the flow mediated dilation of your arteries.

And so we are increasing the dilation of the arteries. In fact, in our clinical, we show that we're able to do it by at least 70% versus baseline, an increase of 70% versus baseline. So you can imagine your arteries are dilating more. And as a result, you have much more blood flow going through your body and more blood flow means more oxygen and nutrients going to the body tissue and to the, the organs in your body. So you have basically an improvement in physical energy, an improvement in mental alertness, getting rid of that brain fog when you wake up in the morning, cause there's more oxygen going towards your, your brain in addition to really helping to support heart health and ensuring that we are maintaining blood pressure within already normal levels. And in addition, we've also had research that shows that Venia is able to significantly reduce the oxidation of LDL cholesterol, which is very important and making sure that we, we are protecting oxidation of our cells as part of the overall aging process.

So we're busy now scaling Venia in our pipeline, we also have olive cells, which

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is all about cholesterol management and we have pomegranate cells, which is also gonna be focused on reducing inflammation and helping with overall cognitive health. And so that's the one vertical being PolyPhen antioxidants. And then the other vertical that we have is we've been doing this technology for 15 years and as a result, we are today, the global leaders in plant cell biology, nobody's able to unlock the secrets of cellular plant biology, the way we are able to, because we have now 15 years of experience on working with plant cells. So we, we figured it out on the red grape, we then moved to the olive, which was more complex. And then we went to the pomegranate, which is quite different. If you think about the pomegranate fruit, it's very different to the grape and the structural composition of the of the olive itself and our scientists in our R and D team.

And we have five amazing top PhD plant cell biologists that have been working with us now for more than 10 years, they said, look, we want to try one of the toughest plants in the plant kingdom. And at that time, the cannabis market had really started to grow, and you know, the cannabis plant is a very complex plant. You have males, you have females, you have male plants, they're useless. The female plants are critical, but when it comes to cannabis consistency is very, very important, making sure that the cleanliness of the cannabis is super important. So we are the only company in the world today that is able to actually grow full spectrum, non-GMO cannabis without growing the plant. And in fact, what we figured out what to do, how to do, and we actually broke biological history.

I would say we made biological history by breaking biological barriers. And we figured out how to actually grow cells of the cannabis plant and how to get each of these cells to grow the most critical part of the cannabis plant, which is called the trichome. And the trichome is the mini factory that sits on the cannabis plant that produces the cannabinoids, the terpenes and the OIDs, which is the, the active ingredient. That is the core of the benefit that cannabis provides you. So we figured out how to grow in industrial scale, bio reactors, actual trichomes. And in fact, today succeeded, we, we, we grow 93% trichomes as far as the end biomass that we are growing in industrial scale bio reactors with a level of consistency cleanliness that the world is not seen before and very unique composition of different ratios of the cannabinoid that we have.

And obviously consistent with what I said before with this level of sustainability, that's unheard of in an industry that really today the industry has major, I would say headwinds that they're facing because of the amount of water consumption and energy consumption that specifically indoor cannabis plantations are, are utilizing. And just reading in the papers today and seeing the, the drastic drought

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exactly that we have on the west coast and going through multiple states and there's gonna be water rationing, electricity rationing. So this is where our, our technology in in addition to the ability to bring amazing Phyto medicinal compounds with unique solubility and bio availability, we are doing it in a way which is really doing what's right to preserve the power of our, our, our plants in our planet. So these, this is the, the portfolio that we have across these two verticals. And in the future, we will continue to leverage the powerful R and D and the knowledge and the knowhow that we have to move into additional verticals of our platform technology, additional verticals that we've, we've started to look at, include psychedelics include traditional Chinese Mets and include the growth of high premium proteins. And these are all areas that our technology is capable of, of being able to go after and really disrupt these industries

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Yeah. So let's talk about that, the future. So, I mean let's talk about the rest of 2022, and then what are you looking forward to in 2023?

Ilan Sobel

Yeah, look, we're, we're super focused. One thing that 18 years at Coca-Cola taught me what to do is to, is to be focused. And as our shareholder partners know the two major priorities of our business right now are one scaling our VIN business. So that's really what we're doing right now. We just finished the completion of building a new 20 ton per year facility in Israel you know, fully GMP certified by the Israeli ministry of health. And really, it's an amazing facility that we're now starting to really scale up the facility. And this has unlocked enormous potential for us because in the last 12 months, we've been heavily constrained by supply where literally every milligram of, of Venia powder was being consumed by our customers. And we were really hand to mouth.

And now finally, we've brought some oxygen into the system with our new manufacturing facility up and running, and that's allowing us to scale in the us. So the second half of this year is critical for us to kind of really ramp up our cells and to start to recruit more aggressively customers, cuz we can support it from a supply chain perspective. And we've already seen over the last 12 months, amazing feedback from customers with very high verified ratings. And I think importantly, the most important thing is when you read our ratings to actually read what consumers say and the level of attachment and engagement they have with the product, which is really very, very unique in the industry. And we see that because our churn rates, right churn rates are very important, are I would, I would say much lower than traditionally what the industry's used to because the product itself has such a fundamentally positive impact on people's overall health and

wellness.

That it's super sticky. So that's number one priority is scaling VI and the us. And the second priority has been as we bring our cannabis business to commercialization, obviously in the north American market being the biggest market and the most critical market. We spent a lot of time now finding the right partner to be able to bring our unique technology to the north American market. So this is a big focus for us right now. And we are looking over the next few months to be able to, to land the plane and really start to forge the critical relationship with the key partner or partners in the us market. And, and then to start to really start laying the foundation from a manufacturing perspective to start producing our cannabis in the us market so that we're ready to really hit the ground running in 2023.

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Very exciting. So how has cross traded on the OTCQB Venture Market been beneficial for your U.S. investor strategy?

Ilan Sobel

You know, this is a for us, a very important part of our strategy and, and our priorities. I recall about three months ago having a discussion with our investor partners at an investor update and, and you know, a lot of the feedback was we have a significant base of people in the us market that are following us that are under that understand that get the power of our technology. But the big challenge has been access to be able to buy our shares. You know, specifically sitting on the CSE has been a little bit challenging for some am American investors also with very high fees being charged you know, for each transaction. So for us, the move to the OTCQB was a very important strategic move because it just kind of unlocked so much or existing potential that existed for us with a U.S. investor base and just gave them easy access, easy access fees that people were comfortable with.

And importantly as well, it, it gives us the extra scrutiny, which is really important for investors to make sure that we, as a company are fulfilling all our fiduciary requirements that we're current on all of our reporting and just kind of giving that extra oversight to, to, to give us more credibility and trust with the investor base. And it's been amazing. I think it's been now maybe four or five weeks that we've been trading on the QB, and we've seen a dramatic, dramatic impact on the volume of trading. In fact we have some days where the QB is doing more than the CSE and I think collectively it works well for Canadian investors and the U.S. investors. And it's all about just giving the investor the critical access and more

visibility. And we're really encouraged by what we've seen as far as the impact over the last five weeks. And we're looking forward to continuing the partnership with the OTC in building that trust and credibility with any very critical investor base.

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Well, Elon, it's been a pleasure speaking with you. Thanks so much for joining us here in New York at our offices.

Ilan Sobel

Thank you. It's, it's a real, it's a real pleasure to be able to do this face to face. I'm kind of Zoomed out a little bit and just enjoying gorgeous New York weather. And thank you very much. We're very proud of the partnership and look forward to the future.

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Thanks so much. BioHarvest Sciences trades under the symbol CNVCF on our OTCQB Venture Market.

**This is an autogenerated transcript and may contain typos.*