

MyFloraDNA – Providing DNA Services to Cannabis Growers and Breeders that Help them Achieve more Sustainable and Efficient Production



Angel Fernandez, CEO



Ajith Anand, VP R&D

MyFloraDNA

**Interview conducted by:
Lynn Fosse, Senior Editor
CEO CFO Magazine**

CEO CFO: Mr. Fernandez, what is the concept behind MyFloraDNA?

Mr. Fernandez: MyFloraDNA is a biotech company specializing in plant genetics. In fact, for the past year, it has been focusing on cannabis, aiming to provide DNA services to growers and breeders. The main goal is to assist them in achieving more sustainable and efficient production through the use of molecular biology.

We are a team of scientists from leading universities such as UC Berkeley, UC Davis, and the University of Iowa, with experience also in large AG companies such as Corteva Agriscience™. Our primary goal is to translate all of the scientific knowledge we have acquired in academia to the cannabis industry.

CEO CFO: Your site shows, "Unparalleled expertise in cannabis genomics testing." What do you understand that less knowledgeable people may not recognize about cannabis genomics?

Mr. Fernandez: I personally believe that many fail to recognize the science-based and data-driven applications that science and genomics can provide to customers. These applications aid them in understanding the different diseases and constraints that are present in cannabis, even on the breeding side of it.

We aim to provide our customers with the best services and solutions that enable them to create more business value, improve productivity, and utilize the advancing technologies in today's world. These include the cutting-edge technology of NGS (Next-Generation Sequencing), developing DNA-based systems for molecular detection, or using some of the other advancements for advanced breeding. Our principle is to provide our customers with the best solutions that are data-driven and science-based.

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CEOCFO: *Are people in the cannabis industry seeking higher levels of testing? Do they recognize it exists?*

Mr. Fernandez: I do not know if it is better testing that they are looking for, but there is a definite need. Until now, there has been a lot of biochemical testing for compliance. That means that growers, and other industry players, need to verify the biochemical compounds of the batch before selling any product. They need to check the THC levels, the terpenes, and all other biochemicals. However, we are adding an extra layer based on DNA and molecular biology.

We have found that thanks to these technologies, growers can simply identify if their plants are contaminated with pathogens, or if they are using the right plants, or if their plants have been mislabeled at some point in the supply chain, or if they are using the most flood-resistant variety or not. This type of analysis that we offer our customers can provide such information.

Mr. Anand: I think cannabis is a growing industry. We know there are plenty of crops in California. Looking at other industries, like seed companies, I think there is a need for an organized system for cannabis to grow. These diagnostic tools will be helpful in advancing their breeding programs. However, I also believe that, like any other crop, cannabis has many diseases and pest issues. What we aim to do is to provide our clients with highly reliable and sensitive technology that is cost-effective.

"Our primary goal is to translate all of the scientific knowledge we have acquired in academia to the cannabis industry." Angel Fernandez

Anyone growing these crops wants to understand what is happening to their crops quickly. They want a reliable service that can provide solutions within 24 to 48 hours, which can then be used to control the disease in their crops. Therefore, there is a real urgency in providing the right tools, services, and educational solutions to further advance the cannabis industry.

CEOCFO: *Are there new technologies or methods you are able to take advantage of these days? How different is it than 3, 4, 5 years ago in terms of what is available to help you get to solutions and identify what you want?*

Mr. Fernandez: Yes, there are always new technologies, especially in the fields of biotechnology, machine learning, and AI. We are a team of scientists from academia, so we're constantly looking to integrate any new approaches or technologies that have been discovered in human or plant sciences. If a new technology emerges, we strive to understand it and, if possible, apply it in our company. Our focus is on leveraging the most up-to-date and state-of-the-art technology for DNA analysis.

CEOCFO: *Could you tell us about your recent milestone in the fight against HLVd? What is the problem with this particular disease, and what have you developed that aids in its identification?*

Mr. Fernandez: Similar to the recent situation with humans and COVID-19, HLVd (Hop Latent Viroid) is a pathogen affecting up to 80% of all the nurseries in California. The data we've recently gathered suggests it's spreading nationwide, and it has even been identified in Europe. Economically, it's projected to cause losses of around 4 billion in

2022 for the US. What makes it challenging is that it doesn't show any external symptoms, making it easily spread throughout a greenhouse undetected, infecting potentially all plants.

This situation can drastically reduce production quality and quantities, including decreasing THC levels. Essentially, the disease can have a significantly negative economic impact. We've developed a technology that allows growers to test thousands of samples on a daily basis, at a very low cost. They get the results in 48 hours, enabling them to promptly dispose of any infected plants. Ajith, is there anything you want to add to this?

Mr. Anand: I want to reiterate what Angel mentioned. HLVD is one of the most serious emerging diseases in the cannabis industry. We estimate that in 2023 the annual loss from HLVD will be around 4 billion. The growing concern about this disease is evident in the increasing number of articles about it. We're focused on educating, learning, and providing the right services to mitigate its impact on the industry.



CEOCFO: *What is your business model? Do you have subscriptions? Do you work with customers on a test-by-test basis?*

Mr. Fernandez: We currently don't offer a subscription model. We charge based on the volume of analysis requested. For instance, if they want the analysis of 10 plants, we charge for those 10 plants. If they want the analysis of 1,000 plants, we apply volume-based discounts.

We might explore a subscription model in the future.

CEOCFO: *How do you reach out to the cannabis community so they understand what you provide and how effective MyFloraDNA can be?*

Mr. Fernandez: We connect with the community through various means, including attending events and meetings, leveraging networks and introductions, and using social media.

Mr. Anand: There are not too many players in this space, so we primarily rely on building partnerships and word-of-mouth recommendations. Our customers are well aware of the quality and reliability of our services, and these have become our standard for expansion.

CEOCFO: *You have, "The first app designed to meet cannabis professional's needs." What is different about your app? How do you make it easy for growers to use the app?*

Mr. Fernandez: Our app is an informative platform. Unlike our competitors who just send a report to clients, we have integrated all resources into our cloud. Clients can retrieve information from past weeks or months, sort out based on the age of the plant, and access various statistics.

Mr. Anand: We designed this app with the aim to give users ownership and flexibility, enabling them to add samples, track incoming samples, and retrieve data whenever they need. We launched it with the expectation that it would make it

easier for clients and customers to work and partner with us, both in sending samples and reviewing the data we generate for them. It's a two-way system.

Mr. Fernandez: It also includes many eBooks, numerous scientific articles, recommendations that they can purchase directly from the app. There's a chatbot where they can interact with one of our technical experts; it's a very interactive platform. However, the most important aspect is that the entire history of their plants is documented there. Instead of numerous emails that can be lost or delayed, everything is stored on this platform.

CEO CFO: *In an industry where many people have jumped in with little knowledge, do your customers appreciate the depth of your scientific background? Does it make a difference for them?*

Mr. Anand: I believe they value us and we have developed some collaborative research programs with them. We have recently undertaken a few projects. One of them will soon be published in a peer-reviewed article. Therefore, I think we are introducing science into the industry, and they understand that eventually, like any other crop, there will be many science-based solutions. Numerous tools are being developed that will assist them in their particular development, breeding programs, seed breeding, or what we call advanced breeding technology. These are for trait development, and traits are a very important part of the marketing approach. Right now, people are interested in THC, and the color of the plant.

There are also additional aspects that will eventually be valued, such as resistance to drought and disease, or the potential to increase THC content. Or there could be options to look at plants that do not have THC, and explore other parts of the plant, such as hemp. Science will eventually provide many solutions, and we are learning here. Angel and I do not have a background in cannabis. We have been in the cannabis industry for a few years, and I think it's an interactive two-way communication where we are able to provide them information from our end, and also to really understand what their problems are, and how we can address those challenges.

CEO CFO: *What is your geographic reach? Where are your customers?*

Mr. Fernandez: Our customers are mainly in California. I would say that 75% are from California, and the rest are from other states.

CEO CFO: *Do you see expanding your reach, even on a global level?*

Mr. Anand: We have plans for expansion, but we are still in the early stages.

CEO CFO: *Are you seeking investments, funding, or partnerships as you grow?*

Mr. Fernandez: Yes. Right now, we have decided to start seeking investment that is going to help us to accelerate faster, especially in the area of R&D. We have many very exciting projects, and for those, we might need a little capital injection to help us move faster. We are sustainable. We reached breakeven a month ago, but if we want to progress faster on these particular projects, we could use a bit of a capital injection.

CEO CFO: *Final thoughts; why pay attention to MyFloraDNA?*

Mr. Anand: MyFloraDNA is a genomics company. We have a team of intelligent minds with diverse exposure to big Ag industries who have found solutions to real problems. We are customer-centric, and our approach is to learn from our customers and acknowledge the fact that the customer is key. Furthermore, we have a great deal of diversity within our company, which brings freshness and different perspectives that enrich our creations and solutions. This diversity helps us develop better solutions for the cannabis industry. We design our tools, services, and solutions to truly create value for them and help them expand their business. That's what we really want to see. While we plan to expand into different countries and different states in the US, it's our creative mindset and dedication to driving this industry to its full potential that sets us apart from other companies.