



### MARKET STATISTICS (\$CAD)

Exchange / Symbol:	TSX: BU
Price:	\$2.99
Market Cap (mm):	\$324.5
Enterprise Value (mm):	\$312.1
Common Shares (M):	108.5
Float:	71.9%
Volume (3 Month Avg):	163,173
52 Week Range:	\$1.97-\$5.92
Industry:	Food & Beverage

### BALANCE SHEET

(\$CAD M, except per sh data):	06/30/21
Total Cash:	\$12.5
Total Assets:	\$35.1
Debt:	\$0.02
Equity:	33.6
Equity per share:	\$0.31

### INCOME STATEMENT

(\$CAD M, except per sh data)				
FY - 03/30	Rev	EBITDA	Net Inc	EPS
FY20	\$0.0	(\$3.7)	(\$4.6)	(\$0.06)
FY21	\$0.0	\$(4.7)	\$(0.9)	\$(0.01)
FY22E	\$1.3	\$(4.4)	\$(4.9)	\$(0.04)

### KEY HOLDERS

PT International Development Corp.	22,866,574
AWM Investment Company	3,902,823
Johann Tergesen	3,452,695
Davy Global Fund Mgmt	1,224,057
Pater Kappel	942,206
Mei Wah Chau	850,022
Randy Willardsen	830,016
Allianz Asset Mgmt	817,031
US Global Investors, Inc	750,000
Kam Law	587,004

### STOCK CHART

### COMPANY DESCRIPTION

Burcon NutraScience is at the forefront of the plant-based eating movement as a global technology leader in the development of plant-based proteins. With over 290 issued patents and over 215 patent applications, Burcon has an extensive portfolio of composition, application, and process patents covering novel plant-based proteins derived from field peas, canola, soy, hemp, sunflower seed and more. In 2019, Burcon established Merit Functional Foods Corporation through a JV. Merit Foods completed building a 94,000 sq ft state-of-the-art plant protein production facility in Manitoba, Canada, in Q420. The facility now produces, under license, Burcon's novel pea and canola protein ingredients and is the only commercial facility globally with the capability to produce food grade canola proteins.

### SUMMARY

- Plant based foods are surging** – Plant based proteins are in the early innings of adoption with Markets and Markets estimating the plant-based protein market accounted for a value of \$18.5B in 2019 and will grow at a 14.0% CAGR until 2025 to reach \$40.6B.
- History of developing plant proteins** – Burcon has spent 20 years and raised ~\$90M in order to perfect and patent its process to extract plant proteins that can be used in the commercial production of foods and beverages. This has resulted in the Company amassing over 290 issued patents and over 215 additional patent applications.
- Proteins with differentiators** – Burcon's pea and canola proteins will offer traditional nutritional value as well as functional values such as binding, gelling, whipping/foaming, and emulsification that should enhance the overall benefits to food and beverage producers and consumers.
- Merit Functional Foods JV points to growth** – Burcon entered a JV with three industry veterans to construct a production facility focused on pea and canola proteins. Production started in January 2021 and Burcon is the largest shareholder with a 33.3% equity position. The facility will initially be anticipated to process 25,000 tonnes of yellow field peas and canola proteins annually followed by future expansion plans toward 100,000 tonnes per year capacity.
- Partnered with notable players** – Burcon's JV, Merit Functional Foods, recently announced a partnership with Nestlé (SWX: NESN) to tailor its pea and canola proteins for use in products produced by Nestlé. Additionally, Bunge Limited (NYSE: BG) invested \$30M in the JV, which accelerated the construction of the Merit facility and will supply Merit with key inputs. The Company expects Merit to announce additional partnerships in late CY21.
- Solid balance sheet** – The Company has a solid balance sheet with ~CAD\$12.5M in cash and has stated it has enough cash to fund operations to August 2023. Additionally, Merit has secured CAD\$85M from a consortium of lenders and a CAD\$10M interest free loan from Agri-Food Canada's Agrilnnovate Program.
- Valuation** – We use a sum-of-the-parts analysis of Burcon and Burcon's ownership in the Merit JV. Our SOTP analysis arrives at a valuation range of \$5.25 to \$7.75 with a mid-point at \$6.25.

## BUSINESS OVERVIEW

Burcon NutraScience and its subsidiary, Merit Foods, develop and sell plant proteins and ingredients for use in the food and beverage industries. Burcon is based in Canada and has researched and developed extraction techniques for proteins deriving from peas, canola, and soy. Each of these proteins have unique nutritional and functional value that can be used in a variety of consumable products including dairy foods, coffee creamers/whiteners, protein bars, vegetarian and vegan foods, ready-to-drink beverages, baked goods, and meat substitutes to name a few.

Burcon has been a leader in the development of plant-based proteins amassing over 290 issued patents and over 215 additional patent applications.

*Exhibit 1: Differentiated Plant-Based Proteins*



Sources: Company Reports

Burcon's original strategy focused on the extraction of soy proteins for commercial use. The Company had developed unique soy proteins which were soluble and had specific PH characteristics that were marketed under the brand CLARISOY®. The soy protein has not been a large commercial success and has contributed minimal revenue to the company. The lack of traction in the CLARISOY® product has largely been due to the change in preferences of plant protein consumers.

In response to a changing marketplace, Burcon announced that it had developed a novel pea protein with desirable characteristics including solubility and heat stability for its branded product PEAZAZZ® in 2011. In 2013, Burcon completed a semi-works plant to produce sample quantities of PEAZAZZ® to market the product.

Burcon's current technologies have also been successful in the extraction of proteins from canola meal, a byproduct of the canola seed crushing industry. These canola products are expected to benefit from a differentiated amino acid profile which is acceptable for use in nutritional supplements, meal replacement products and high protein foods and beverages. In addition, Burcon can blend its canola and pea protein products for use in plant-based meat substitutes.

In 2019, Burcon announced a joint venture (JV) agreement with partners to form Merit Foods. Merit was formed for the production, sale, and distribution of Burcon's pea and canola proteins. Merit will

have exclusivity of Burcon's extraction process in exchange for a royalty on the revenue of the products sold. In addition, Burcon also owns a 33.3% stake in the company. Merit Foods completed the construction of a facility on December 31, 2020 (Q3FY21) and in Q4FY21, it completed its first commercial production runs of PEAZAZZ® and PEAZAC® pea proteins. In April'21, Merit also started production of Puratein®, its canola protein. Importantly, the facility can double in size with minimal capital expenditure.

In January 2020, Burcon and Merit announced they had partnered with Nestlé, a global leader in food and nutrition, to tailor the Burcon and Merit's pea and canola products for use in plant-based meat and dairy alternatives produced by Nestlé.

*Exhibit 2: The Burcon Advantage*



Source: Company Reports

Burcon's objective is to focus on commercializing its pea and canola protein products in partnership with Merit to benefit from the increasing demand for plant-based proteins. In addition, Burcon is hoping to continue its research and development of new extraction and purification technologies for use in additional plant protein alternatives that offer nutritional and functional value.

## PRODUCT PORTFOLIO

Burcon has a long history of developing plant protein ingredients as evidenced by its extensive patent portfolio. The Company differentiates its plant-based proteins via flavor, solubility, nutrition, and purity. And given its extensive experience, the Company has demonstrated its ability to consistently develop neutral-flavored, highly soluble ingredients with high protein content.

Burcon's portfolio of products spans plant-based proteins from soybeans (Clariso), peas (Peazazz/Peazac), canola (Puratein/Supertein), and protein blends (Nutraitein).

Exhibit 3: Product Portfolio



Source: Company Reports

Burcon's first product, CLARISOY®, is a high-quality plant-based protein derived from soybeans. While ADM licensed the technology from 2011 to 2020, the product was not a large commercial success largely due to the change in preferences of plant protein consumers. Soy protein has declined 4% over the past 15 years, while pea protein has grown 30% according to McKinsey.

Pea Proteins have grown heavily in popularity over the past fifteen years. Part of the reason for an increase in pea proteins is that it can be produced from non-GMO sources and is not considered a major allergen. Burcon currently markets its pea proteins under two products:

- **Peazazz®** - Pea protein that is soluble and clean tasting, which is suitable for dairy alternative food and beverages.
- **Peazac®** - Co-product of Peazazz® with a lower protein content. Ideal for plant-based meat substitutes, bar products, and baked goods.

Burcon's canola proteins are produced from the byproducts of canola oil production. Canola meal is an abundant and inexpensive product that is currently sold mostly as animal feed but is approximately 35% protein. Burcon has come up with a technique for extracting that protein while separating out the unwanted fiber and other anti-nutritional components. Burcon's current Canola products include:

- **Puratein®** - Product that has functionalities of emulsification, gelling, and binding, which lends itself well in dressings, meat substitutes, baked goods, and protein bars.
- **Supertein®** - A highly soluble canola protein that can form transparent and foaming solutions. The protein also has a sweet taste great for beverages, deserts, and protein bars.

Lastly is Burcon's blended product Nutraitein that combines its pea and canola plant-based proteins. The PS product combines Peazazz and Supertein, while the PT product combines Peazac with Puratein.

- **Nutraitein®** - A powder with minimal taste and a desirable amino acid profile makes this product a good fit for nutritional supplements, meal replacement products, plant-based meat-analogue products, high protein foods and beverages.

Importantly, Burcon's products have all received Generally Recognized as Safe (GRAS) no objection letters from the U.S. FDA.

## MARKET OPPORTUNITY

The plant protein market has seen drastic growth over the past several years as consumer habits have begun to change from consuming all their protein from meat-based sources to seeking out alternatives. Consumers originally shifted from traditional meat-based proteins due to concerns about the treatment of animals used to satisfy demand for meat and dairy products. However, the recent wave of demand in plant-based products has been from a younger generation that is focused on healthier eating habits and reducing environmental impacts. The rise of the vegan population is a key factor contributing to overall growth in plant protein demand as vegan diets tend to be higher in several nutritional categories such as potassium, Magnesium, and vitamins A, C, and E.

In addition to vegan and vegetarian consumers, there is also an increase in the number of consumers who are simply looking to supplement their meat consumption with a healthier, more sustainable alternative. These flexitarians are individuals that do not have specific dietary restriction and do not entirely cut meat or dairy out of their diet, but instead make a conscious effort to replace some traditional meat protein with plant proteins. In fact, according to a Nielsen study, flexitarians account for 37% of meat alternative buyers. Additionally, in the last year the percentage of U.S. households buying meat alternatives rose 1.6% to 21.6%.

The overall plant-based protein market is anticipated to grow rapidly over the next few years with Markets and Markets projecting that the market will grow at a 14% CAGR to reach \$40.6B by 2025. The growth in the market is being driven not only by consumer preferences, but also by developments in technology that improve plant proteins taste and function to consumers. Improvements in the extraction and production of plant proteins are making consumers more open to trying plant-based proteins and meat substitutes.

Exhibit 4: Growing Market Penetration



Source: Company Reports

Evidence of changing consumer habits can be seen by companies like Impossible Foods and Beyond Meat's rapid adoption in grocery store and fast-food chains. These companies have used special ingredients to mimic traditional meat traits, such as Beyond Meat using apple extract to show a meat-like color that browns as the patty is cooked.

The economic value of protein as an ingredient is derived from two sources: nutritional value and functional value.

**Nutritional value:** Proteins, which are made up of amino acids, are essential for growth in children, upholding muscle mass, and aid in the bodies' resistance to diseases. Traditional protein powders, shakes, and bars were enough to satisfy these requirements for the vegetarians and vegans of yesterday, however, did little to sway flexitarians or anyone looking to reduce overall meat intake as the taste and function did not suffice.

**Functional value:** In addition to providing nutritional value, proteins also provided a variety of desirable attributes for consumers including:

- Solubility
- Viscosity
- Water-binding
- Emulsification
- Foaming
- Fat-Binding
- Flavor-enhancing

Burcon has invested 20 years to providing proteins with the highest functional value. The proteins with the highest functional value enhance taste, look, and consistency for the consumer, which helps ease the transition for flexitarians from meat-based protein to plant-based protein. The ability to increase functional value increases the economic value of the plant-proteins.

As the global demand for plant-based proteins continues, some protein sources stand to benefit more than others. Pea proteins have been increasing in popularity as a source of protein since there are no issues with genetic modification or allergenicity that other plant proteins present. In addition to peas, canola has also grown in popularity as a protein. Canola meal is a byproduct of the production of canola oil and contains approximately 35% protein making it inexpensive to produce. Burcon has licensed technology to commercially produce both proteins to its JV partner, Merit Functional Foods.

## MERIT FUNCTIONAL FOODS

On May 23, 2019, Burcon NutraScience entered into a shareholders' agreement with two additional entities to form Merit Functional Foods, at which point, Burcon became a 40% shareholder of Merit. The agreement is to build and own a new commercial production facility in Western Canada that will produce, market, sell and distribute Burcon's new pea and canola protein blends worldwide. Burcon also agreed to license its pea and protein extraction technologies to the Company in exchange for a royalty on the revenues earned.

As of February 2020, Burcon and the two other parties contributed a total of \$32.5M to Merit via shareholder loans. Furthermore, in August 2020, Bunge Ltd made an investment of \$30M into Merit and purchased shares and debt from the other shareholders of Merit. Bunge (NYSE: BG) is a world leader in sourcing, processing, and supplying oilseed and grain products and ingredients. As a result, Bunge became a 25% shareholder of Merit and Burcon's ownership interest is now at 33.3%.

Exhibit 5: Merit Construction Timeline



Source: Company Reports

Merit completed the construction of its 94,000 square foot pea and canola protein facility on December 31, 2020 (Q3FY21) at a cost \$CAD 65M. Phase 1 of the production facility started in Q4FY21 and is anticipated to process 25,000 tonnes of yellow field peas annually. Merit's projected production is currently undersized in comparison to competitors. For example, Roquette, a manufacturer of plant-based ingredients for food, had a combined production of 250,000 tonnes per year in 2020. Although Merit's beginning production is undersized compared to competitors, it will have the ability to double the size of its production with minimal capital expenditures due to the layout of the building. This will allow the Company to prove out its production, sales, and margins before investing additional money and resources into expansion. The JV has future expansion plans toward 100,000 tonnes per year capacity.



*Exhibit 6: Merit Production Facility*



*Source: Company Reports*

Merit will be run by two of the three JV partners. Each of the JV partners has a history in the hemp food and hemp oil business.

- Barry Tominski – Serves as co-CEO holds 30 years of experience in the food industry and lead Manitoba Harvest as COO before being acquired.
- Ryan Bracked – Serves as co-CEO has 18 years of experience in the food manufacturing business most recently as the VP of Innovation for Manitoba Harvest.
- Shaun Crew – Serves as Director and founded Hemp Oil Canada in 1999 which grew to become the world’s largest producer and processor of bulk hemp food products before being acquired in 2015.

In the new production facility, Merit is expected to produce several of Burcon’s products including its Peazazz® and Peazac® pea proteins, as well as Supertein®, Puratein®, and Nutratein® canola proteins. In fact, in April 2021, Merit achieved its first commercial production of Puratein® canola proteins to become the only commercial-scale facility in the world capable of producing food-grade protein from canola.

Merit has already begun to see strong interest in Burcon’s existing technologies as evidenced by Nestlé joint development agreement with the Company to tailor Burcon and Merit’s plant-based proteins for use in Nestlé’s food and beverage applications. The goal is to create a long-term relationship where Merit works with Nestlé to create products that will be used in plant-based meat and dairy alternatives. This partnership with a food and beverage conglomerate proves that the Company’s current products and technology have true value and the potential to grow sales exponentially.

*Exhibit 7: Merit’s Target Applications*

<b>Peazazz and Peazac Pea Proteins</b>	
• Ready-to-mix powders	• Nutrition bars
• Ready-to-drink beverages	• Meat alternatives
• Plant-based milks	• High protein snacks and baked goods
<b>Puratein Line of Canola Proteins</b>	
• Methylcellulose replacement	• Plant-based ready-to-mix beverages
• Plant-based burger patties and sausages	• Whipped toppings
• Meat and egg alternatives	• Plant-based bars
• Non-dairy frozen desserts	
<b>MeritPro™ Protein Blends</b>	
• Complete plant-based nutrition formulations with PDCAAS of 1.0	
• Dairy and meat alternatives	
• Ready-to-drink beverages	

*Source: Company Report*

**RISKS**

**History of operating losses and financing requirements** - Burcon currently has negative operating cash flow and thus is dependent on the capital markets to raise additional capital. If Burcon is unable to raise additional funds it may be forced to delay or cease planned expansions.

**Changes in consumer demand** - The Company is dependent upon continued demand for its specific canola, soy, and pea proteins. Given the quick rise of the alternative protein industry, it is possible that this could be a “fad” like dietary change with consumer habits reverting to traditional preferences before Burcon is able to capture significant demand.

**Limited manufacturing experience** - Burcon has limited manufacturing experience on a commercial scale. Burcon’s new products in partnership with Merit foods must be in compliance with regulatory requirements and must be produced at a low enough cost to continue to operate and make a profit. Although the other Merit JV partners have experience operating at a commercial level, there is no assurance that its previous success will translate to a new product.

**Intense Competition** - Given the rise to plant-based protein popularity, the Company will face significant competition in these markets. Many of these competitors have much greater manufacturing capacity, financial backing, and experience. Burcon may need to invest additional capital into its current or an additional plant to match capacity and costs of larger producers.

**Regulatory restrictions** - Burcon and Merit are governed by regulatory regimes that determine its ability to sell food ingredients in the United States and Canada. Burcon and Merit will need to obtain the necessary permitting and licensing to produce these ingredients and keep up with these regulations. Any change in the

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laws or the Company's inability to adhere to these regulations will inhibit the Company's ability to produce and sell its products.

**Patents and IP rights** - Burcon's success in generating further revenue depends on its ability to retain its intellectual property for its extraction of proteins. If Burcon is not able to protect its intellectual property through ruling of the courts or inability to retain the necessary counsel, revenue growth could be significantly reduced. In addition, costs associated with such litigation could reduce profits and cash flow.

**Dependent on agriculture yields** - Burcon's products are affected by crop yields and if crop yields decline in a certain season, those input costs would increase for the Company. Increases in these input costs would negatively profits or need to be passed on to the consumer.

## VALUATION

We are using a sum-of-the-parts analysis to help arrive at a valuation range for Burcon. As Burcon is currently the only public pure play alternative protein manufacturer, multiple analysis is difficult. Furthermore, the Company has strong growth upside, which does not lend itself to the low steady growth of grain processors. Additionally, the Company is much smaller and illiquid than most other food ingredient companies. We also do not feel that the Company's current operations warrant comparison to the extreme growth and valuation profile of Beyond Meat.

As such we use a DCF to help value Burcon's royalty stream from the Merit JV, and then its 33.3% ownership of Merit JV.

Below are our major assumptions:

- Merit plant production in FY22 in the 10,000 MT/year range, expanding to 100,000MT/year run rate in Q1FY25.
- \$10,000 per tonne average selling price of protein, with prices steadily rising as more producers recognize the utility in the canola proteins.
- Merit EBITDA margin scaling from ~25% in FY22 toward 45% in FY25. We note the margin is higher than average given plant processing is less intensive than animal products.
- Merit JV capex of \$230M to scale production toward 100,000 MT/year.
- Burcon royalties beginning at 7%, decreasing to an industry average of 5%.
- A discount rate of 10% along with a 3% terminal growth rate.
- Burcon owns 33.3% of Merit JV.

### Exhibit 7: Burcon Royalty Valuation Range

Shares outstanding	108.5
PV of FCF	56.6
PV of TV	121.6
EV	178.2
less: Net Debt	(12.5)
Estimated Total Value:	190.7
<b>Est Equity Value/sh:</b>	<b>1.76</b>

		Terminal Growth Rates				
		1.0%	2.0%	3.0%	4.0%	5.0%
Discount Rt	9.0%	\$1.70	\$1.86	\$2.07	\$2.37	\$2.82
	9.5%	\$1.59	\$1.73	\$1.90	\$2.14	\$2.49
	10.0%	\$1.49	\$1.61	\$1.76	\$1.96	\$2.24
	10.5%	\$1.40	\$1.50	\$1.63	\$1.80	\$2.02
	11.0%	\$1.32	\$1.41	\$1.52	\$1.66	\$1.85

Source: Stonegate Capital Partners

### Exhibit 8: Merit 100% JV Valuation Range

Shares outstanding	108.5
PV of FCF	330.5
PV of TV	1,141.4
EV	1,471.9
less: Net Debt	-
Est Total Value:	1,471.9
<b>Est Equity Value/sh:</b>	<b>13.56</b>

		Terminal Growth Rates				
		1%	2%	3%	4%	5%
Discount Rat	9.0%	\$12.90	\$14.38	\$16.35	\$19.11	\$23.25
	9.5%	\$11.93	\$13.19	\$14.85	\$17.11	\$20.37
	10.0%	\$11.07	\$12.16	\$13.56	\$15.43	\$18.05
	10.5%	\$10.29	\$11.24	\$12.44	\$14.01	\$16.16
	11.0%	\$9.60	\$10.43	\$11.46	\$12.80	\$14.57

Source: Stonegate Capital Partners

Combining our Burcon Royalty valuation range, with its 33.3% equity ownership of Merit, we arrive at a valuation range of \$5.25. to \$7.75 with a mid-point at \$6.25.

**BALANCE SHEETS**

<b>Burcon Nutrascience Corporation</b>			
<b>Consolidated Balance Sheets (C\$ Ms)</b>			
<b>Fiscal Year: March</b>			
<b>ASSETS</b>	<b>FY2020</b>	<b>FY2021</b>	<b>Q1 Jun-21</b>
<b>Assets</b>			
Cash and Equivalents	15.0	14.0	12.5
Accounts Receivable	0.3	0.3	0.2
Inventory	0.1	0.1	-
Prepaid Expenses	0.3	0.2	0.4
<b>Total Current Assets</b>	<b>15.8</b>	<b>14.6</b>	<b>13.0</b>
Property, plant and equipment	0.5	1.0	0.9
Deferred Development Costs	1.6	4.5	5.2
Investment in Merit Functional Foods Corporation	12.2	16.4	14.7
Goodwill	1.3	1.3	1.3
<b>Total Assets</b>	<b>\$ 31.3</b>	<b>\$ 37.7</b>	<b>\$ 35.1</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>Current Liabilities</b>			
Accounts Payable and accrued liabilities	1.1	1.4	1.5
Deferred Revenue	0.3	-	-
Lease Liability	-	0.0	0.0
Accrued Interest	0.2	-	-
<b>Total Current Liabilities</b>	<b>1.6</b>	<b>1.4</b>	<b>1.5</b>
<b>Long Term Liabilities</b>			
Convertible Notes	6.7	-	-
Lease Liability	-	0.0	0.0
<b>Total Long Term Liabilities</b>	<b>6.7</b>	<b>0.0</b>	<b>0.0</b>
<b>Total Liabilities</b>	<b>8.3</b>	<b>1.5</b>	<b>1.6</b>
<b>Shareholders' Equity</b>			
Capital Stock	98.0	114.1	114.2
Contributed Surplus	9.0	14.1	14.1
Options	9.7	6.5	6.9
Warrants	1.8	0.6	0.6
Convertible debentures	2.8	-	-
Defecit	(98.4)	(99.0)	(102.2)
<b>Total Shareholders' Equity (deficit)</b>	<b>22.9</b>	<b>36.3</b>	<b>33.6</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 31.3</b>	<b>\$ 37.7</b>	<b>\$ 35.1</b>

Source: Company Reports, Stonegate Capital Partners



**INCOME STATEMENTS**

<b>Burcon Nutrascience Corporation</b>				
<b>Consolidated Statements of Income (in C\$ Ms, except per share amounts)</b>				
<b>Fiscal Year: March</b>				
	<b>FY20</b>	<b>FY21</b>	<b>FY22E</b>	
<b>Total revenues</b>	\$ 0.0	\$ 0.0	\$ 1.3	
<b>Operating expenses</b>				
Research and Development	0.7	0.4	1.0	
Intellectual Property	0.8	0.8	0.8	
G&A	2.2	3.7	4.2	
Total operating expenses	3.8	4.9	5.9	
<b>Operating Income</b>	<b>(3.7)</b>	<b>(4.8)</b>	<b>(4.6)</b>	
Warrant Valuation Adjustment	-	-	-	
Interest and Other Income	0.2	0.4	0.5	
Management Fee Income	0.4	0.3	0.1	
Merit (Loss) Gain	(0.9)	4.0	(0.1)	
Interest Expense	(0.6)	(0.8)	(0.8)	
Foreign Exchange (Loss) Gain	0.0	-	(0.0)	
Other Gain (Loss)	(0.0)	(0.0)	-	
Change in Fair Value of Derivative Liability	0.0	-	-	
<b>Pre-Tax Income</b>	<b>(4.6)</b>	<b>(0.9)</b>	<b>(4.9)</b>	
Income Tax Expense	-	-	-	
<b>Net income (loss)</b>	<b>(4.6)</b>	<b>(0.9)</b>	<b>(4.9)</b>	
<b>Basic EPS (loss)</b>	<b>\$ (0.06)</b>	<b>\$ (0.01)</b>	<b>\$ (0.04)</b>	
<b>Diluted EPS (loss)</b>	<b>\$ (0.06)</b>	<b>\$ (0.01)</b>	<b>\$ (0.04)</b>	
Basic shares outstanding	78.9	102.9	110.1	
Diluted shares outstanding	78.9	102.9	110.1	
<b>EBITDA</b>	<b>(3.7)</b>	<b>(4.7)</b>	<b>(4.4)</b>	

Source: Company Reports, Stonegate Capital Partners estimates

## IN THE NEWS

**August 26, 2021** – Burcon to Participate at Exane BNP Paribas ESG Conference on September 7-9, 2021.

**August 16, 2021** – Burcon Reports Fiscal 2022 First Quarter Results.

**August 05, 2021** – Burcon to Present at the Canaccord Genuity 41<sup>st</sup> Annual Growth Conference.

**July 08, 2021** – Burcon Announces Appointment of Jeanne McCaherty to its Board of Directors.

**June 29, 2021** – Burcon Announces Fiscal 2021 Results and Reviews Operations.

**May 28, 2021** – Burcon JV Company, Merit Functional Foods, Receives Second Co-Investment from Protein Industries Canada.

**May 24, 2021** – Burcon to Begin Trading on NASDAQ.

**April 12, 2021** – Burcon JV Company, Merit Functional Foods, Achieves First Commercial Production of Canola Protein.

**March 04, 2021** – Burcon to Participate in the 33<sup>rd</sup> Annual ROTH Conference on March 15-17, 2021.

**February 16, 2021** – Burcon Reports Fiscal 2021 Third Quarter Results.

**February 09, 2021** – Burcon JV Company, Merit Functional Foods, Achieves First Commercial Production.

**December 07, 2020** – Burcon to Participate in the Roth Deer Valley Virtual Consumer Conference.

**September 18, 2020** – Burcon Announces Results of Shareholder Meeting.

**September 2, 2020** – Burcon Provides Business Update and Notice to Convertible Debenture Holders.

**August 27, 2020** – Burcon JV Company, Merit Functional Foods, Partners with Bunge to Bring Pea and Canola Protein to Market.

**August 10, 2020** – Burcon Agrees to Terminate Clarisoy License Agreement with ADM.

**July 6, 2020** – Burcon Announces Appointment of Debra Fang to its Board of Directors.

**June 29, 2020** – Burcon Announces Fiscal 2020 Results and Reviews Operations.

**June 22, 2020** – Burcon JV Company Merit Functional Foods Secures Additional \$10 Million Funding.

**May 4, 2020** – Merit Functional Foods Expanding Production Capacity Arranges \$85 Million Debt Financing Package.

## CORPORATE GOVERNANCE

### **Johann Franz Tergesen, President and Chief Operating Officer**

Mr. Tergesen, CPA, CA, is a twenty-year veteran of the plant-based food industry. He co-founded Burcon NutraScience Corporation in October 1999, and since that time he has overseen Burcon's strategic and financing initiatives. He has a life-long passion for the environment and deep knowledge of the plant-based economy, having led Burcon's market outreach as well as the company's research and commercialization efforts for over two decades. Prior to his role as president and CEO of Burcon, Mr. Tergesen was vice president and treasurer of BurCon Properties Limited, a real estate development and ownership company with assets in excess of \$3 billion. Mr. Tergesen has been with the Burcon group of companies since December of 1995. Mr. Tergesen holds a B.A. in economics from the University of Winnipeg, an M.B.A. from McGill University, and is a member of the Chartered Professional Accountants of British Columbia.

### **Jade Cheng, Chief Financial Officer**

Ms. Cheng, CPA, CA, is a senior financial executive with over 25 years of experience. She has been with Burcon since inception and is responsible for its financial management, reporting and compliance. Prior to joining Burcon, Ms. Cheng held senior financial positions with a TSX-listed real estate development and ownership company and was a manager in Coopers & Lybrand's (now PricewaterhouseCoopers LLP) audit and assurance practice. Ms. Cheng holds a B.A. (Economics) and M.B.A. from the University of British Columbia and is a member of the Chartered Professional Accountants of British Columbia.

### **Dorothy Law, Senior Vice President, Legal and Corporate Secretary**

Ms. Law was a director of Burcon from December 1998 to April 2010. Ms. Law joined the Burcon group of companies in August 1997 and acted as corporate counsel. Prior thereto, she was an associate at the law firm of Lang Michener LLP (now McMillan LLP), practicing primarily in the areas of securities, corporate and commercial law. Ms. Law was called to the British Columbia Bar and admitted as a member of the Law Society of British Columbia in August 1996. Ms. Law holds a Bachelor of Laws degree and a Bachelor of Commerce degree from the University of British Columbia. Ms. Law was also admitted as a solicitor of the High Court of Hong Kong in May 1999. She is a non-practicing member of the Law Society of Hong Kong.

### **Randy Willardsen, Senior Vice President, Process**

Mr. Randy Willardsen, MSc has been a Senior Vice-President of Process at Burcon NutraScience Corp. since November 30, 2001. Mr. Willardsen has over 25 years of experience in the fields of membrane filtration and food, dairy, and biotechnology processes. He was the founder of Separation Technology, Inc., a leading supplier of membrane-based purification equipment and related services to the food industry with particular emphasis on dairy and beverage applications. Mr. Willardsen was also Co-Founder of both Inprotech Corporation, a supplier of high-quality whey proteins to the U.S. market and BioPlex Nutrition, a nutritional supplement company focused on formulated protein supplements. Most recently, Mr. Willardsen founded Gallo Protein, a partnership with Joseph Gallo Farms to produce highly purified whey protein isolates. Mr. Willardsen has worked with Burcon since April of 2001, providing advisory services and technical reviews of Burcon's extraction technology. Mr. Willardsen holds a master's degree in food science and Nutrition from the University of Minnesota.

### **Martin Schweizer, Vice President, Technical Development**

Dr. Schweizer joined Burcon in May 2002 as a process-engineering specialist. He relocated from Nancy, France, where he earned his doctorate at the Institute National Polytechnique de Lorraine, with an emphasis on the enzymatic hydrolysis of rapeseed proteins. Prior to his Ph.D. work, Dr. Schweizer completed a chemical engineering degree (Dipl.-Ing) at the University of Karlsruhe, Germany, where he specialized in food process engineering and water technology. He has over 20 years of experience in research and development and his main expertise lies in the fractionation and purification of biochemical compounds using current state of the art technology such as membrane filtration, liquid chromatography, and various extraction technologies, both aqueous and solvent based. Since January 2003, Dr. Schweizer has overseen Burcon's research and development efforts at its Winnipeg Technical Centre.

### **Board of Directors:**

Dr. David Lorne John Tyrrell, M.D., Ph.D. – *Chairman of the Board & Lead Director*

Rosanna Chau – *Director*

Alan Chan – *Director*

John Douglas Gilpin – *Independent Director*

Peter Kappel – *Independent Director*

David Ju – *Independent Director*

Calvin Chi Leung NG – *Director*

Paul S. Westdal – *Director Emeritus*

Jeanne McCaherty – *Director*

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